

**CREDIT  
and**

# FINANCIAL MANAGEMENT

DEVOTED TO INDUSTRY ★ FINANCE ★ COMMERCE

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*A Meeting of Management Minds*

*Story on Page 5*

## MAKE THAT BORDERLINE ACCOUNT GOOD BUSINESS

Companies' Executives in Credit and Financial Management Symposium Present Score of Guides to Fulfillment of Mission in Competitive Era to Find Some Way to Turn Every Account, Actual or Potential, into a

*Paying Account*—Participants in Study Draw Upon Own Experiences to Show How Modernized Operation Policy Helps Build Business of Customers as Well as Suppliers Through Closer Cooperation With Sales.

**MAY, 1954**

**Vol. 56 No. 5**



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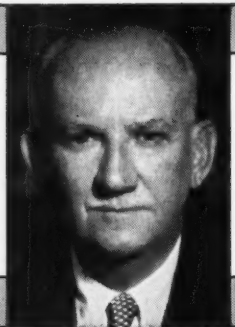


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# Editorial



## *Eclipsed by Propaganda*

**T**HROUGHOUT the ages people's lives have been influenced considerably by propaganda. Until, however, the introduction of printing and the modern phase of communications, with the telephone, radio and television, individuals were more apt to use their own judgment. Presently the influence of pressure groups is greater than it would have been in the days of the "town crier."

World War II particularly emphasized these means of trying to mold public opinion. In Germany the propaganda machine was not only vicious but at the beginning of the World War rather effective. It took time to evaluate the claims and charges, and it took much loss of life and destruction of property to expose their falsity. In our own country we frequently have been subject to pressure influences though they have not been of the Nazi type. Some of these movements have been not only unfair but in many instances rather vicious in their consequences.

Special groups frequently move in without even bothering to analyze a given problem. Situations that might call for unemotional, mature deliberation and analysis are frequently liquidated by a barrage of half-truths and misstatements. The effect has been a freezing of opinion, difficult to overcome.

*A good case in point was the proposed Bricker amendment. It was a debatable amendment, one that had much to commend it for consideration on both sides of the issue. Despite this fact, it was difficult to get a clear understanding of the issues because so much pressure had been exerted by both sides. The merits of arguments for and against the proposal were beclouded by exchanges of personalities, by jockeying for political advantage, by misrepresentations of objectives and context. All this had the effect of closing minds before a thorough study of the measure could be made.*

The press, radio, telephone and all agencies through which propaganda is concentrated have a great responsibility in these matters. Factual reporting is a necessity if you are going to properly evaluate a difficult problem. It is unfortunate that the Bricker proposal reached the point where both sides were so determined in their minds that it can hardly be said the proposal got a fair hearing either way. This is not in the interest of the nation. The need is greater care and less impetuosity on issues that involve the very life of the country.

A stylized, handwritten signature of Henry H. Heimann in dark ink.

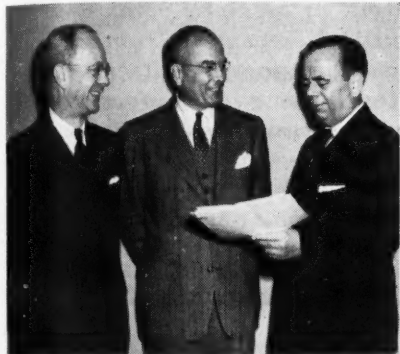
HENRY H. HEIMANN,  
Executive Vice President



## THE MAY COVER

WHEN general credit managers get together from widely separated parts of the country, the broader aspects of operations speedily are brought into focus. When they are the general credit managers of three large companies in one field of industry or commerce and the times have the buyer again trying on his crown as business king, not the least detailedly discussed is the problem of how far to go, credit-wise, to attract maximum volume for profitable returns.

Here are (left to right) William H. Montgomery, general credit manager of



The Pure Oil Company, Chicago; Herbert R. Wakefield, general credit manager, Sun Oil Company, Philadelphia; and J. P. McLaughlin, assistant treasurer and general credit manager, Richfield Oil Corporation, Los Angeles.

Almost every job in credit work has been filled by Mr. Montgomery in his 33 years with Pure Oil.

Joining Pure Oil in Columbus, Ohio, in 1921 as a credit department clerk, four years later he was a credit manager in the company's eastern division with headquarters in New York. In 1932 he was named Reading (Pa.) zone manager; in 1939 he transferred to Chicago as assistant general credit manager and in 1951 advanced to general credit manager. Besides his community activities Mr. Montgomery for several years has been a director of the American Petroleum Credit Association.

Sun Oil's general credit manager has been with his company 32 years. Mr. Wakefield also had studied at the University of Pennsylvania, and entered the Sun organization also as a credit clerk. That was in 1922.

Mr. Wakefield has served two terms as a director of the Credit Men's Association of Eastern Pennsylvania, is on the advisory committee of the Eastern Petroleum Credit Managers Association, and is a past director American Petroleum Credit Association.

Richfield Oil Corporation's personnel roster has carried the name John P. McLaughlin for 23 years, though strictly speaking the first six had belonged to the Rio Grande Oil Company, which then was integrated into Richfield.

Mr. McLaughlin, who became general credit manager in 1938 and added the duties of assistant treasurer in 1951, is regional vice president of the American Petroleum Credit Association for the Pacific Coast. He is a Loyola "U" graduate.

# CREDIT and FINANCIAL MANAGEMENT

DEVOTED TO INDUSTRY \* FINANCE \* COMMERCE

General Manager: Edwin B. Moran

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⌚ **PACKAGING** its approval of President Eisenhower's appeal for cancellation of the automatic reduction in excise levies on alcoholic beverages, cigarets, gasoline, motor vehicles and parts into a bill providing for slashes on a score of items despite the Administration's opposition, the Congress conferees agreed on \$999 millions reduction of excise taxes, hailed by business as a start in buoying the economy. Even before the President signed, benefited concerns began reducing prices. Revenue loss was offset by retaining the \$1.077 billions that would have gone out the window had the automatic cuts gone through.

Thus, in an election year's "call of the wild", compromise more or less takes care of everything—except such trifles as inflationary Government spending and the budget balance. Complained Sen. H. F. Byrd (Dem., Va.): "Don't let us fool ourselves that we are reducing taxes when we are borrowing the money to do it. We are merely postponing taxes."

A general ceiling of 10 per cent was set on most excise tax rates by both houses. Most "luxury" levies were cut in half by the Senate (those on sales of cosmetics and other toilet preparations, on furs, jewelry, luggage, handbags and wallets, theatre admissions [no tax on 50 cents or less], photo equipment, and electric bulbs.) Also down to 10 per cent went the 25 per cent tax on long-distance phone calls and leased wires, as did the 15 per cent levies on telegrams, local phone service, travel, sporting goods, mechanical pens, pencils and lighters. School athletic contests were exempted, and instead of 10 per cent of manufacturer's price was a 5 per cent tax on some household appliances.

⌚ **IN LINE** with the President's announced stockpiling program as insurance against any warlike attack, the State Department says the United States will buy 100,000 tons of copper from Chile at the world market price, estimated 30 cents a pound, an outlay of \$60 millions. In the early Korean war days, Chile first agreed to sell at 27 cents (3 cents above prices then being paid U.S. producers) but later changed to a 36½ cent demand. When world copper prices were tumbling last summer, Chile had a surplus as well as internal problems, and so put out feelers for resumption of negotiations.

⌚ **WHEN** the United States Supreme Court denied to Alabama and Rhode Island the right to challenge the submerged lands act of 1953, which vested title in contiguous states to their historical

## Saluting Private Business

*The Defense Department is going to move out of as many commercial and industrial enterprises competing with private business as it possibly can, a House government operations subcommittee was told by C. S. Thomas, assistant defense secretary. The department opposes such competition, said Lothair Teetor, assistant secretary of commerce.*

boundaries, 17 years of litigation and political footballing apparently came to an end. The highest tribunal now holds that the right to dispose of property belonging to the United States is vested in Congress and that it may deal with lands in the public domain "precisely as a private individual may deal with his farming property." That ruling differed from two previous decisions that the federal government, not the states, had top rights in offshore lands. Most interested in the new opinion are California, Texas and Louisiana; rich oil deposits are known to exist off their shores.

⌚ **EXTRA DUTY** on imports of wool tops have been reduced by 12 per cent by a Treasury-approved order of the Customs Bureau, which makes the additional or "countervailing" duty 6 per cent of the value as appraised for duty purposes. Secretary George M. Humphrey explained that the order followed "action by the government of Uruguay modifying exchange rates applicable to wool tops exports" to the United States.

⌚ **LABOR SECRETARY MITCHELL** spoke up against a proposal of the House labor committee that judicial functions of the National Labor Relations Board be transferred to the federal district courts. Mr. Mitchell told a news conference that such a move would only hamper procedures.

⌚ **A SLOWING DOWN** in the rate of unemployment and in the rate of seasonal drop in retail sales, reported by Labor Secretary James P. Mitchell and the Department of Commerce, was taken as a twofold indication for the good, though not sufficient to be called plus signs.

# TRENDS — —

## IN BUSINESS AND FINANCE

### Training Vision

SOUND long-distance thinking has wholesome influence on the short view. That's the double-barreled importance of conclusions of a study showing that business interest in educational programs for both executive and lesser employee is at a record high. The findings can well be taken to heart by the credit executive given the opportunity to improve his potentials and standing by participation in graduate courses.

Management development is being promoted by 30 per cent of 1,954 companies which replied in a mail survey conducted cooperatively by the American Management Association and the Ford Foundation's Fund for Adult Education.

Even more significantly, in a field canvass it was found that 48 per cent of 530 companies had their own educational programs. Contrast these results with the fact that in 1946 only 5.2 per cent of 3,498 companies reported they had such programs in operation. And it appears from the latest survey that the comprehensiveness of the educational plan is not affected by size of company.

### Research vs. Obsolescence

FURTHER emphasizing the educational factor is the pronouncement that the accelerated tempo of research presages a continued high rate of obsolescence, at least in the chemical and petroleum industries. In fact, many new plants will have outgrown and outmoded their facilities long before factory and machinery have worn out, and in some instances new plants have become obsolete even before completion of construction. That's what members of the Division of Industrial and Engineering Chemistry were told, at the American Chemical Society's annual gathering, by John M. Black of M. W. Kellogg Company, constructors of chemical plants and oil refineries.

### The Hen or the Egg?

INTERESTING in the light of the foregoing is the observation of the Machinery and Allied Products Institute, in its "Capital Goods Review," that if postwar plant outlay should "continue to run below historical trends" we can expect future expenditures for equipment to be

higher, that is, "if postwar experience reflects a new and lower normal for plant, it should reflect a new and higher normal for equipment."

Hypotheses for the theorem are that if less is spent for plant, more money is available for equipment, and that functional interchangeability makes it possible in many instances "to vary the mix to the advantage of one or the other," so that "if less plant is used, more equipment may be needed."

### Curtailling Treasury

INSTEAD of the law expiring July 1 which permits the U.S. Treasury to sell up to \$5 billions of its securities directly to the Federal Reserve Banks, 60 members of the Economists' National Committee on Monetary Policy recommend that Federal's banks be authorized to buy from the Treasury temporary overdrafts (special certificates) for periods not to exceed five days, and that the total of any such Treasury overdrafts be limited to \$1.5 billions.

### Improvement

ABATEMENT of the business readjustment is showing signs of realization, in the views of most members of the National Association of Pur-

chasing Agents participating in a roundup of opinion. The survey, made before the end of the first quarter, showed a large majority expecting second quarter activity to be higher. A smaller number looked forward to good business in the third quarter; fewer carried this prediction through the year.

### Assignment Rules Under Study

FORMULATION of uniform rules of procedure in cases handled through the assignment bureau of the supreme court, New York county, is the objective of a newly formed committee titled the Voluntary Committee for Study and Recommendations Relating to Assignments for the Benefit of Creditors. The entire area of assignments from the original filing to the ultimate closing of the estate will be investigated.

The committee asks attorneys and others interested in its objectives to submit suggestions for uniform rules to the chairman, Benjamin Weintraub, of Levin & Weintraub, New York City, or to Mortimer J. Davis, executive vice president, New York Credit & Financial Management Association, secretary to the committee.

### Stockpiling

A NEW POLICY was put to work when President Eisenhower ordered a stockpiling program meaning widened purchases of 35 to 40 metals, a boon to distressed mining areas in the United States. The directive to the Office of Defense Mobilization says the materials are to be "purchased, wherever possible, from domestic producers" and "over a considerable period of time." The move was ascribed to the atomic age, which, like sin, in reverse, covers a multitude—of practically anything.

### From the Steel Sector

INCREASED business farther out in the year, as steel inventories in the hands of fabricators are reduced, is the indication seen by Chairman T. M. Girdler and President C. M. White of Republic Steel Corporation.

They emphasize the company's intensive work in research and development, particularly in applications of electronics to steel making.

*Ernest A. Riedel*

### The Silly Season

**T**HIS is styled a "security" move.

*Mrs. Dora W. Grace of England, interested observer at the United Nations and representing the Women's International Democratic Federation, which has semi-official status in Communist countries, is restricted by visa to stay within a 70-block area in mid-Manhattan, approximately the area occupied by the United Nations or by the delegations.*

*If the restriction is seriously intended to preserve American security, a limitless number of provocative questions arises. Is there a no-man's land decreed for decibels? Carrier pigeons allowed? No "The li-on is busy"? May Mrs. Grace walk westward on an eastbound traffic thoroughfare?*

*And they grow a lot of people in 70 Manhattan blocks.*



# Make That Borderline Salesminded Prove That the Orders Are There

**T**HE orders are still there, and a salesminded credit manager generally will find a way to make borderline business good business.

This summation of policy in action, by the credit and collections manager of one of the leading office equipment companies, is also a capsule of the thinking of executives of other companies on phases of how to go about increasing sales volume for greater profit in a highly competitive market.

On the premise that today's economy demands mass production, which in turn requires mass distribution, managements of contrasting operations in widely geographically separated business centers were asked to inform *Credit and Financial Management* what policies are being accented and what changes made in credit appraisals to bridge the transition from a sellers' market.

The many experience-suggested replies fall into four categories: The credit man's direct assistance to the account; Credit's cooperation with Sales; the sales department's helpfulness to the credit operation; and counsel by older credit executives to those inexperienced in tight competition. Following are some of the highlight recommendations:

## HELP ACCOUNT WITH COUNSELING

(1) *Counsel the account on balancing his inventory. "The main problem is one of education, training and advice. Judgment-plus is essential."*

(2) *Spend more time in the field, and help the account to develop new markets. "In the early 'Thirties credit executives took to the road and visited the borderline accounts which Sales considered important outlets."*

(3) *Encourage the account to borrow for his needs from lending institutions. "Economic conditions continue good, so now is the time for personal evaluation."*

(4) *Understand humanics—know your man and his ability and capabilities. Develop the propensity to analyze but first win his confidence.*

(5) *Comparative balance sheets should be kept, for ready checkup of the account's condition. Top management wants more frequent and complete analyses of marginal buyers. "With proper evaluation and close observation of term accounts, marked revision of credit policy will not be necessary."*

(6) *Close analysis should be made of companies established during or after a war or defense spending economy. Counsel the managements of those which were not progressive in, say, 1940 and '41 but "blossomed out in the war years—and now are borderline again."*

(7) *Offer these all assistance but ask in return that they pursue sound merchandising programs and operate efficiently. "Establish credit limits for marginals, either as a group or individually."*

## AGGRESSIVE COLLECTION TECHNIQUE

(8) *Financial statements of "some accounts, though still on a prompt-pay basis, show a significant decrease in working capital." If it is clear that they cannot pay all creditors, be aggressive in collection technique. Be prepared to "act fast when the marginal risk shows signs of cracking." Some credit managers have had "a false sense of security in the last ten years."*

(9) *With a clear understanding of Top Management's ideas on the risk factor, get all possible*

*information from all available sources—and make use of it.*

(10) *Do more visiting with the prompt-pay accounts. This not only should improve the volume but "they may give you suggestions for handling the slow-pays."*

## COOPERATE WITH SALES STAFF

(11) *Close relationship between the sales and credit departments is all-important. "Our field sales force is now authorized to open shipments to new accounts on more liberal limitations; the salesmen in turn are obligated to know the accounts better and not oversell."*

(12) *The salesman should be informed of an "ailing patient" and be ready to act speedily on recommendation of the credit department.*

(13) *"In our company, the credit staff must keep better informed, through participation in Industry Group activities and in our own sales staff's conferences."*

(14) *"We have provided our sales staff with facilities for preliminary credit investigation. Judicious handling of marginal accounts may well prove to be the pivotal factor."*

## THIS PROGRAM BRINGS RESULTS

(15) *"An educational program in our sales forces is underway, with letters over the signatures of our credit manager and sales manager, and under instructions from our company president. The wealth of information now coming up through the field representatives is one result of the program."*

(16) *The guiding question is: "What factors does each account have which would permit me to extend more credit?" A sound flexible credit policy is essential to an expanding sales program, but a very liberal credit policy does not substitute for salesmanship.*

(17) *Many young owners or managers have not known intensive competition or strict merchandising. Credit executives who experienced the problems of the early 'Thirties should share their lessons with new credit managers and show them the pitfalls. "Now is the time for counsel."*

# Account Good Business

## Tell CFM How They Whip Tight Competition



### Sound and Flexible Policy For Sales Expansion Plan

G. F. LANGENOHL

Treasurer, Assistant Secretary  
Allis-Chalmers Manufacturing Co.  
Milwaukee, Wisconsin

### Just as Much a Salesman As the Man in the Field

H. N. HEADINGTON

Credit and Collection Manager  
Addressograph-Multigraph  
Corporation  
Cleveland, Ohio



CREDIT appraisals in a period of inflated economy, such as we all have experienced recently, are somewhat routine and have a tendency to contribute to a feeling of complacency on the part of credit men.

In a receding economy, or purchasers' market, credit and sales problems become equally difficult and more numerous, and accordingly present a direct challenge to both the salesman and the administrator responsible for terms and credit.

Over the years it has been our credit policy to work in close liaison with our sales organization, to the end that we could accept most of the desirable business available. Through this line of approach, it is obvious, a certain merited liberalization of credit policy takes place in instances, and under special conditions. In general, we are of the opinion that a sound but flexible credit policy is essential to an expanding sales program.

Since a major portion of our company's general machinery sales is to companies of long unquestioned financial standing, our overall credit problems in this field may not be as complex as others. However, establishments created during or after a war or defense spending economy, and those that have not been faced with the open and hard hitting competition representative of a buyers' market, could very easily present some serious problems along the way. We believe it is highly important, in evaluating the credit aspect of this latter type of account, that we know what the competitive situation might be and what the future holds in respect to sales. Relative the sale of products of our tractor division, we have no intention of liberalizing our credit or terms policy or extending ourselves in any manner that would impose a greater degree of risk.

In a recent bulletin to our regional credit men, we pointed out the necessity of more frequent and complete analysis of those accounts classified by us as marginal, including dealerships and those which came into being primarily as a result of the type of defense spending economy. A strong, well fortified, and well informed sales and collection organization will become increasingly important in the period ahead.

With proper analysis and evaluation of credit risks and close observation of term accounts we feel it unnecessary to effect any marked revision in our credit appraisal policy at this time.

CREDIT selling during the last decade and a half has become a dormant art. Our younger generation of credit managers has had little or no opportunity to display the leniency, diplomacy, ingenuity and sales understanding with which older credit men are indoctrinated.

Credit men with less than 15 years experience—and there must be many of them—have operated entirely in a seller's market. During much of this period, most items have been in short supply and it has been easy for a credit man to keep the reins tight without much resistance from the sales organization.

Once again our economy is shifting. We are now in a buyer's market. Production is meeting demand. Orders are harder to obtain, buyers are becoming more wary, competition is again a factor and credit selling must once again come into being.

A very close relationship must be developed between Credit and Sales. Our own organization has consistently maintained a flexible credit policy, always designed to produce the maximum business. Our field organization is indoctrinated in credit, and credit in sales. We work together in harmony as a team.

For nearly a year, we have been assuming a greater degree of risk. We have provided our sales staff with facilities for making preliminary credit investigations, have formulated several credit sales plans, and have encouraged our sales organization to discuss borderline business with us.

In almost every instance, we are able to work out some plan which conforms with the customer's needs and ability to pay. Our sales organization is cognizant of our thinking and we of theirs. The result is that the number of orders we actually lose is nominal.

The time has never been more opportune for the credit manager to raise his sights, work closely with sales management, and come up with suggestions which will make borderline business acceptable.

Such business in many instances represents the difference between a profit and loss, the maintenance of full employment and the continuation of a high level of business.

This country will always go forward. We credit men have a grave responsibility. We must encourage sales and more sales. We must be liberal and understanding, and have a keen desire to make every possible effort to ac-



cept orders by suggesting ways and means to the salesmen. A sales-minded credit man will generally find a way to make borderline business good business.

My company, during the 36 years I have been associated with it, has never favored a strict credit policy. We have had many collection problems, but have always held losses to a normal level.

Our economy demands production, which in turn requires orders. Unless we credit men are willing to assume considered risks, help our sales organizations drive for more business, with more credit selling, always bearing in mind the profit potential in borderline business, we cannot hope to maintain a continuous high level of business.

The orders are still there. Urge your selling staff to go out and get them and cope with your credit problems as they arise. We as credit men are just as much salesmen as the men in the field. We must use ingenuity and sell, sell, sell, reserving the "No" for the isolated case whose business cannot be accepted on any basis.



### Sound Advice and Vigorous Collection Program Urged

**CHARLES M. COHEN**

*Credit Manager*

*Hatfield Wire & Cable Division  
Continental Copper & Steel  
Industries, Inc., Hillside, N. J.*

**H**OW will credit management meet the challenge of this increasingly competitive era? Pulling its oar in tandem with sales, credit management turns to the marginal account. But increased volume of sales alone is not enough, and survival dictates that increased volume spell increased profits. Thereby judgment-plus becomes more requisite than ever in the cultivation of sales possibilities, and judicious handling of marginal accounts may well prove to be the pivotal factor in the period ahead.

With the marginal account then the pivot, how may the credit executive recognize and cultivate it? By textbook definition, it is that group of customers whose bad-debt losses, over a reasonable period of time, may be expected to be less than the profit derived from the purchases of those in the group who eventually make full payment, so that some net profit results from selling to the group. More briefly, it is that group which as a whole will show a profit, though some show losses.

Guideposts to recognition of the marginal account will be found in the commercial agency rating, the Credit Interchange report, the financial statement, business references, bank reports.

The next step—analysis to determine the advisability of selling the marginal account—must be predicated on the traditional, sound principles of credit, namely, capital, character, capacity.

Examine the capital position first, determine if the principles of character and capacity need be considered. Obviously the marginal account's financial position is usually poor or wanting. You will find either a very small invested capital or a frozen current condition due

to excess inventories, excess investment of capital in equipment and heavy accounts receivable, or a combination of these factors. If capital position indicates possibilities, then tests of character and capacity will apply.

In many cases the test of character is difficult, yet certain factors help. Customers who attempt to chisel on price and cash discount or claim imaginary shortages can safely be classified as not having the highest moral character. Previous bankruptcies or settlements with creditors and the amount of those settlements provide evidence of the character of the customer.

The opinions of the customer's competitors (where they can be obtained) and the salesman's opinions also are of value. Where evidence indicates the head of the business is a man of probity, then the risk of loss is reduced to a minimum.

How the credit executive can cultivate the marginal account to success has several facets.

(1) He can give sound advice about ways to balance inventory or reduce heavy investment in equipment.

(2) The marginal account often is ignorant of the proper use of banks or other lending institutions. Marginal accounts that have capacity and character, but not capital, make ideal subjects for borrowing from lending institutions and should be encouraged to do so.

(3) A more vigorous collection technique is necessary. These accounts frequently are unable to pay all creditors and they will pay those who are more vigorous and aggressive.

(4) Establishing credit limits, either by limiting all customers in the marginal-account group to one arbitrary figure or by establishing individual credit limits, will aid in minimizing losses from marginal accounts.

The credit man who handles marginal accounts judiciously can bring increased profits to his own organization and success to other firms which today may be marginal.

### Twofold Award Promoted By More Positive Policy

**RICHARD W. PHELPS**

*Credit Manager*

*Oxalid Division of  
General Aniline & Film Corp.  
Johnson City, N.Y.*



**T**HE road to business success is not rose bordered and plush carpeted, although in many lines the last 10 years have tended to indicate such a picture. Some businesses during this period have been profitable in spite of the management, rather than because of it, and this has given some credit managers a false sense of security. The times now require a change of attitude. Steps have been taken, in our organization, for one, to rise to the challenge and use a more aggressive credit approach.

Credit, generally and historically, too often has been a negative aspect of business—the brake on sales—the control on salesmen. Today, and for future planning, Sales and Credit need to be "in the harness" together. In this way, credit can guide and pull forward simultaneously. (At a recent meeting with our branch, regional

*(Concluded on page 17)*





## Six Approaches to Credit Policy under Competition

ROBERT W. JOHNSTONE

*Credit Manager  
Norton Company*

*Worcester, Massachusetts*

**D**URING and following World War II, and until a relatively recent period, the demand for goods and services far exceeded the supply. That condition starts a bidding process for such merchandise as does exist, money flows freely, and the very momentum created by these forces keeps both the poor and the good credit risk afloat. Price is no problem.

When, however, the supply begins to match and then outrun the demand, a reversal of the process takes place. The buyer knows he can get what he wants when he wants it, and he can afford to shop around for bargains. Such a situation is the foundation upon which competition thrives, and all productive units in the system use every resource to improve its services or the quality, durability and attractiveness of its products.

At the same time, the national sales force is making an all-out effort to sell to an ever-increasing number of accounts in greater volume and in doing so it becomes apparent that the marginal risk comes into the picture. Credit problems then multiply at an increasing rate. What to do about it?

We believe that salesmen should be encouraged to get all the business possible, and credit men should develop the ability to analyze and determine what risks are desirable, and on what special basis the remainder can be accepted.

Every attempt should be made to obtain the confidence of the customer so that his affairs are wellknown to the credit people. There are several approaches to the problem which credit men should consider:

- (1) Comparative balance sheet figures should be kept, so that the rise and fall of the account's condition can be readily seen.
- (2) More frequent visits to volume marginal accounts are a "must," enabling the credit man to offer helpful advice and to learn first hand the details of the customer's business.
- (3) Close cooperation with the sales people is advisable so that they will feel free to submit their impressions of the customer, and the odds and ends of information which frequently become available to them.
- (4) A clear-cut understanding of what management has in mind regarding the risk factor is another essential. This is determined in great part by the profit ratio, which varies widely between productive units.
- (5) Have an understanding of humanics. Know your man—and his managerial ability.
- (6) All of this is supplemental to continuous use of the usual mercantile reports, interchange information, discussion groups, and the like.

Such a program will help to prevent unusual loss and may assist in greater volume.

## Data from Field Evince Value of Sales Education

CHARLES F. WOOLLEY

*Credit Manager and  
Assistant Controller  
Marcalus Manufacturing Co.  
East Paterson, New Jersey*



**W**E are among the fortunate who have not yet come to the point of transition from a seller's to a buyer's market. Nor are we expert enough in forecasting to know if we shall be at this point in the near future, or in any part of 1954. Nonetheless, planning is being done to meet the situation when and if necessary.

In this planning stage our credit department is in an enviable position. Since our company is neither a small firm nor a giant one, we are free of some of the disadvantages that go with either extreme. The small firm may not have a separate department to handle credit matters, and the very large one may be so departmentalized that the credit manager has little opportunity to keep abreast of the overall activity within his company. We enjoy the privilege and responsibility of being part of the top management team at Marcalus, thus participating in general policy-making rather than being limited to carrying out policy formulated by others.

Every credit manager knows what he will do, in theory, to meet the transition period. What each of us will do in the actual practice, when the situation is upon us, may vary from the preconceived plan. Life isn't lived according to a blueprint, and business is just a part of life—nor is it conducted according to a book. That's what makes both life and business so fascinating.

With that reservation in mind, then, we at Marcalus have decided that the credit department must meet situations individually as they arise. It is unlikely that there will be a general liberalization of our attitude toward credit extension. We regard our attitude now as liberal within our means, and think it best to pursue the same policy.

Undoubtedly, increased credit risk will have to be taken on as the need for sales increases and orders decrease.

In order to meet the situation when it arises, our credit department must keep itself better informed. Two sources of information we shall utilize to the full are group participation within credit associations and in our own sales force. In addition to holding memberships in the Food Groups at Chicago and New York, we are members of the National Food Manufacturers' Credit Division of the National Association of Credit Men. Marcalus makes one of the most complete lines of household paper products in the United States. As a result, a large portion of our sales is made to outlets other than wholesale grocers. Since a sizable portion of our sales is to paper jobbers, we were active in the formation of the new Paper Industry Credit Group, and will do our best to enlarge that group's membership and increase its activity and benefit to members. (Mr. Woolley is chairman of this Group.—Ed.)

As to the sales force, a little educational program is

*(Concluded on page 18)*

# A Problem for the Book and How It Was Solved

## A Feature Series on MANAGEMENT AT WORK

By LESTER T. HAGE

Assistant Secretary

Brown & Bigelow  
St. Paul, Minnesota

**S**uppose a young man came to you with nothing but an idea—no money, no assets—and wanted your company to manufacture a product from that idea. Would you turn him down? Believing the idea sound, would you string along with him? If the latter, how would you go about it? Here's the story of a credit executive who, with the collaboration of others in management, really did something about it—one million dollars worth of something.—ED.

**V**ISION and sound planning can pull many times their weight when hitched in tandem, as American enterprise so often has demonstrated. In fact, a good case could be made for the hypothesis that these two factors have led all others in carrying our way of life to its world eminence.

But when vision and planning have

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**W**HEN Lester T. Hage, assistant secretary and credit manager, joined Brown & Bigelow, St. Paul, Minn., as an errand boy, the remembrance advertising company was principally a calendar house, doing only a fraction of the business which now is in the \$50 millions. Two years later, Charles A. Ward, now the company's president and general sales manager, enrolled as a \$25 a week factory apprentice.

Mr. Hage in a year became traffic manager, and when Mr. Ward assumed the presidency in 1933, Mr. Hage was transferred to the credit department. Today the credit staff of 47 under his direction processes more than 300,000 orders a year. He adds that last year the bad account loss approximated one-half of one per cent, including all collections and adjustments.

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no foundation of money or assets, where do you place them among the C's of Credit? Conditions? Hardly. Capacity? To be determined . . .

And when, in a potential marginal account, an idea is the only margin there is, at least on the surface, the credit executive has a job cut out for him. This much is certain, however: his first and foremost duty to the company he serves is on the progressive side of doing everything within his abilities to help build an increasing volume of profitable business.

Catching the customer's vision was the first step in the case history that follows. Sound planning was a photo-finish second. In retrospect, not the least element of strength in the program evolved was its simplicity, though in recollection it appears more simple than it did at the time, with all the attendant responsibilities. Here's how the story unwound.

One of our district offices was approached by a young man of 29 who had an idea for a resale item that we could manufacture, although we normally make nothing in the resale line. The bulk of our \$50,000,000 annual volume consists of items known as remembrance advertising, used as gifts by individuals and companies to express appreciation for business done with them.

The idea was an excellent one, but the young man had no money or other assets which could be used as security. The printing plates alone would involve a cash outlay of almost \$10,000.

After we had listened to his story and the possibilities as outlined by him and by our sales promotion people, the suggestion was made that if he would raise the \$10,000 it would be possible for us to go ahead with the



*"Demonstrates what can be done for and by an account."—Mr. Hage.*

plates and determine later just how the manufacture would be accomplished. The tentative plan at that moment was to finish the plates and then make a few samples on a hand-proofing press.

With these handmade samples he made a quick trip around the country and obtained orders for the finished article, plus in each case a partial advance deposit. The sum of these was enough to purchase \$5,000 worth of paper and complete about \$20,000 worth of merchandise, sufficient to take care of a few of the first sales.

The item proved so popular that repeat orders were obtained immediately, with advance deposits. These, incidentally, were obtained with the knowledge of the purchaser that our company was producing the item. In other words, in a certain sense our reputation for quality and service was used to everyone's advantage.

Very soon it became necessary to put a second and larger run in process. Each successive run was handled

in approximately the same manner; that is, after a certain cash deposit was made, the paper was purchased. As soon as the paper was in hand, an additional deposit took care of a press run for the entire order. Then, as deliveries were needed, current sales of the finished article made possible a cash deposit for each of the several finishing processes for that particular lot. In other words, each shipment on each order was paid for as the work progressed.

The plan has worked so well that the enterpriser has built a very profitable business, has invested his money carefully, and one day will be a wealthy man. The idea has produced for our company a total sales volume of \$1,000,000 in the short period of four years, and a resale volume for him of a considerably higher figure.

Without the plan as it was executed, all of this would not have become a reality. It is a demonstration of what can be done for and by an account without an AAA rating.

#### G.E. Award Winner Advances To District Service Manager

Herbert H. Eastman, who was chosen the outstanding credit manager in a national contest marking



H. H. EASTMAN

the 50th anniversary of General Electric, has been named district service manager of the Los Angeles district, which embraces Arizona, Nevada and California. He previously was district credit manager of the Los Angeles district. His increased responsibilities include overall management of the company's financial policy.

Mr. Eastman's career in financial management extends back over 30 years. After graduation from New York University with a degree in accounting, he joined the Chase National Bank, then entered the electrical field with Schick, Inc., of Stamford, Conn. In 1940 he became associated with General Electric Supply Company at its San Francisco office, and advanced through a series of administrative and executive posts. He is a member of the board of the Credit Managers Association of Southern California and has been a member of the Electric and Radio & Appliance Groups.

# Only SECURED DISTRIBUTION

## CAN TAKE THE **RISK** OUT OF CREDIT

**HOW:** By providing for shipment of goods to a Lawrence System Field Warehouse on your customers' premises.

**SO:** The merchandise is at the point of sale, yet title and control remain with you, as fully as though the goods were still in your own warehouse.

**RESULT:** Your sales potential is fully realized—but your credit risk is eliminated.

**MORE:** For more detailed information just drop us a line at our nearest office—we're in all principal cities—and we'll send you our brochure "Secured Distribution." Or call us collect.

Remember!

### SECURED DISTRIBUTION

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Maximum protection for the Credit Manager  
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OFFICES IN PRINCIPAL CITIES

CREDIT AND FINANCIAL MANAGEMENT, May, 1954

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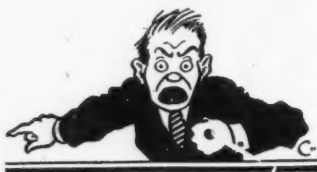


# Good Equipment Is Often More Vital To Small Office Than Big Operation

By ERNEST W. FAIR

*"Sure, those are wonderful ideas and that's swell equipment . . . but it's for a big office, —not for mine!"*

**T**HAT's a misstatement heard many times in offices throughout this land of ours. One of the misconceptions too often noted in business is that good filing methods and good filing equipment can be



used profitably in only large concerns.

Often the reverse is true and it's the small office that most needs the finest of methods and equipment. There the resources are limited and chances are no one can be spared to specialize in needed filing. In the big office, trained personnel may be assigned to do the job; in the small office it's just one of many tasks for one employee.

When labor cost and availability conditions rule out human specialization, then equipment specialization must step in to do the job.

Here's another plain dollars-and-cents fact. The business time cost and production needs filled by up-to-date filing systems are especially significant in the modestly sized operation. Every payroll hour must be used to good effect; every job must be handled with speed and efficiency. The small office cannot absorb errors and waste of time. Efficiency experts long ago proved that for that very reason, they were needed most in the small office. It's a simple matter of protecting the firm's profits and keeping cost down.

Let's take a look at one or two operational phases of a typical one-girl office. She's a very efficient and well trained secretary. She gets a good salary.

A call comes in. Important papers are needed in a hurry. If the secretary can locate them in a matter of seconds the caller is made happy

and, just as importantly, she has lost only that much time from the other productive work she has to do.

But—if she has to put up with an antiquated filing system and an equally obsolete set of equipment, the delay makes the client dissatisfied, and 10 to 20 minutes of office time are lost.

This incident could have arisen in an organization so small it has but one filing cabinet, or three, six, or a dozen. In a 50-unit office, however, it would have been the exception, for many years ago big business found the practicable wisdom of developing accurate and speedy filing systems and other equipment that not only provided protection and safety but immediate access to information.

Many modern filing systems and equipment were actually developed in such offices as a result of extensive studies, by experts, of filing problems and the use of filing systems.

The same reasons which compelled such study and development apply equally in the smallest office. They sum up in the one word **PROFIT**.

The good filing system today has the biggest job ever, with the immense volume of necessary records constantly growing. Tax requirements alone have added 25 per cent to the work load in many small offices.

Without compensating increase in business, the new overhead costs must be made up by more efficient use of present personnel and equipment. Modernization of an old filing system can, in itself, improve the per work hour efficiency to absorb the additional overhead.

## *Saves Each Girl Half Hour Daily*

"We have two girls here," a friend told us the other day, "and keep them busy every hour of the working day. A good salesman finally convinced us our antiquated filing methods were costing us dearly, so we listened to his suggestions and adopted them.

"We found this new system gave us an average half hour a day extra from each girl, and at today's wages that's a mighty worthwhile saving. Furthermore, our girls now make

fewer mistakes and do their work better, simply because they have an extra half hour to get their other work done."

Another business associate found that it took 10 minutes to locate and obtain a given folder from his aged filing system.

"Why didn't someone tell me about this!" he roared—forgetting his former belief that modern filing systems were only for big offices. "Why, we're spending valuable payroll hours every day in this one step of our office operation."

He was right. The girl made an average of 25 trips a day to the file . . . that approximated four hours of her time spent in that one chore alone. The time was cut well under an hour when the new system was installed, giving her three more hours of payroll time that could be applied to other needed work.

Few realize the great amount of payroll time expended on the indi-



vidual office tasks. Unless the executive takes the trouble to make a study of filing methods, he goes along with the belief this is one of the smallest tasks.

It isn't . . . it's one of the biggest time killers, worse than personal telephone calls or the "coffee break."

Application of scientific principles to filing can also mean added profit dollars to any firm. Under the old alphabetical exclusive system, a file served only to locate a given folder that is, sometimes, of course.

Modern filing methods also provide immediate access to co-related folders. So, if we must know how a given problem can best be handled, then all data will be instantly available.

In the past there was only one way to do this: provide the primary

file folder, then set up duplicates in a co-relating file of its own. That added a lot of unneeded expense. In thousands of small offices it still is causing unnecessary overhead. Dozens of modern systems for small offices are available to do away with that waste.

"You know," a third businessman confided, "we used to look on our filing system as nothing but a bunch of storage cabinets—and that's exactly what it was.

"Since we've installed the best of modern equipment the files are a lot more than storage cabinets. The system now is an actual working tool, helping us to run our business smoother and more profitably. It's like having two more highly efficient persons working out there than we had before." And his was a three-girl operation.

Radio and television audiences of the "My Friend Irma" series are well acquainted with the chaotic condition of that comedy filing system. (In thousands of small offices the systems are only slightly better.) Her employer, Mr. Clyde, undoubtedly insists the old way is good enough for him. But his one-girl office could have efficient filing—even with Irma!

## THE PERSONNEL MART

### Position Available

ASSISTANT CREDIT MANAGER for Southern California headquarters of national corporation. Must have top experience in national food sales. Age to 38; salary commensurate with training and experience. Good opportunity for advancement. Submit complete resumé in own handwriting together with recent snapshot. Write Box 501 CFM.

### Position Wanted

ASSISTANT TO TREASURER seeks association with financial operation of progressive manufacturer or distributing company. Exceptional experience preparing and analyzing financial reports, budgets, systems and credit management. Willing to relocate. Age 46. Write Box 410, CFM.

### Executive Available

CREDIT MANAGER—Heavy industrial experience, collections, correspondence, accounting, law. Sales-minded and cost-conscious. B.B.A. degree, graduate courses. Seeks position with progressive firm. Resumé submitted upon request. Box CFM 411.

# Can your company use more cash?

For \$25,000 or for  
Millions . . . get in touch  
with Commercial Credit

THERE ARE TIMES when even the most successful company requires added working capital to pay taxes, to meet payrolls, to modernize equipment, to carry heavier inventory or larger receivables, etc.

Through COMMERCIAL CREDIT's method, hundreds of companies in 1953 were able to obtain additional cash beyond what was available through their other borrowing sources. Some companies used up to 5 MILLION DOLLARS of COMMERCIAL CREDIT money, and the total we advanced for working capital purposes last year exceeded 600 MILLION DOLLARS. In most cases, cash was available within three to five days after first contact—and remained available on a continuing basis, without further negotiations.

COMMERCIAL CREDIT's method causes no dilution of ownership, no mortgaging of future profits, no hampering of company management. The one—and only one—reasonable charge is a tax deductible expense. If your company can profitably use extra working capital—as little as \$25,000 or as much as Millions . . . for as briefly as a month or for years—contact COMMERCIAL CREDIT. For fast action write, wire or phone the nearest COMMERCIAL CREDIT CORPORATION office listed below. Say, "I'd like more information about the plan described in *Credit & Financial Mgt.*"

BALTIMORE 1—200 W. Baltimore St. CHICAGO 6—222 W. Adams St.  
LOS ANGELES 14—722 S. Spring St. NEW YORK 17—100 E. 42nd St.  
SAN FRANCISCO 6—112 Pine St.

A Service Available Through Subsidiaries of  
**COMMERCIAL CREDIT COMPANY**  
Capital and Surplus Over \$145,000,000



## Personal Evaluation Now For More Future Profit

**EDWARD HEINE**

*Credit Manager  
Assistant to President  
H. A. Seinsheimer Company  
Cincinnati, Ohio*

**T**HE transition from a seller's market to a buyer's market is always reflected in the credit department by an increasing number of borderline accounts. It is apparent that more accounts are approaching borderline status for their year-end statements showed some accounts, though still on a prompt paying basis, with a significant decrease in working capital. Competition, which is a minor factor in times of prosperity and shortages, is becoming increasingly important each day to the future success of retail establishments, and it is our problem to determine what is to be done with those accounts which are not making progress. Shall we help maintain sales volume by revising our credit policy to accept greater risks, or shall we safeguard our receivables with a strict credit policy?

We believe the answer was spelled out in the dark days of the depression, when credit executives proved to top management that an unalterably restrictive credit policy could harm a business much more than it could help by selling to only "good" accounts.

In those days, the progressive credit executive took to the road. He personally visited many borderline accounts that the sales department felt were important outlets, to determine for himself if management was capable, had built up an efficient organization, and if the general physical set-up was economically sound and attractive. He could then determine if the sum of these factors was conducive to a financial risk that might normally be out of proportion to a store's working capital. It was surprising what a substantial part of an overall sales picture was directly attributable to excellent coordination between sales and credit departments.

To eliminate the risk attached to borderline accounts by maintaining a restrictive credit policy is to defeat the very reason for the existence of a credit executive. Many borderline accounts only need advice and time to become excellent customers. The reason for an elastic credit policy is not a liberalized attitude toward credit extension; it is a realistic attitude about the value of an account that has a future with you. It is the knowledge that the wise extension of credit is not based solely on figures, but on management, combined with an essentially sound operation temporarily set back by conditions which can be overcome.

Today, we are faced with many of the same problems we had in the 1930's, but with one great advantage in our favor. Economic conditions are good. Now is the time to start the campaign of personal evaluation of your borderline accounts, to firmly establish the relationship with these accounts whereby the credit department is a guide and counsellor, a friend, and, if need be, a temporary banker in the form of merchandise credit.

The accounts to watch most closely are those accounts that were not progressive in 1940 and 1941, but blossomed out in the war years and postwar prosperity, and today are again borderline accounts. These accounts should be offered every aid possible, but should be asked to cooperate completely with sound merchandising techniques and operating efficiency. The degree of risk should be more limited in these cases, since they have had the opportunity to correct their faulty operating experiences but evidently have failed to do so.

There is another group of accounts that should merit special attention. Many younger men have succeeded older relatives as owners or managers of retail stores. These men have never known a highly competitive era and are not trained in strict merchandising practices. They are making mistakes that more experienced merchants have avoided.

It is our job as credit executives to show these men the pitfalls and hazards of inadequate planning and controls. It is our job to prove to them that the credit department is made up of men and women who can and want to help them; that we are people with experience gained from actual accomplishment or who have acquired our knowledge through constant contact with successful stores comparable to their own; that the mistakes they are making were made by others before them and that we are familiar with the corrective techniques necessary to overcome these mistakes. In other words, it is our job to educate our accounts to seek advice for preventive action rather than to hide their shortcomings when circumstances arise that affect their operation unfavorably.

Now is the time for counsel. The degree of risk we accept should vary according to the individual case based upon our evaluation of the capabilities of management, conditioned by the past history of the store, its future potentialities and, to a great extent, by the degree of cooperation evidenced on the part of the retail management involved.

## Customer Education, Training Counsel Suggested, with Aid of Sales Forces

**ARTHUR DOUGLAS**, *Credit Manager, Carnation Company,  
Los Angeles, California*

**M**Y thoughts on the revision of credit appraisal policies in the present market are predicated on the unique problems of the fresh dairy products and ice cream industry. They represent a challenge, the solution of which may be of interest to all credit executives.

First, we deal in highly perishable food items which have a daily to weekly turnover.

Second, a substantial percentage of our customers is engaged in probably the most hazardous of all retail ventures from the standpoint of success, namely, the restaurant business.

We find that many of our customers are engaging in the food or restaurant business as their first experience in proprietorship. Some never previously were employed in the line of endeavor in which they are setting out to risk their capital and credit.

Essentially, then, the main problem is one of education, training and counseling. We depend upon our sales department to train the customer in maintaining



the most efficient layout of his physical equipment, the most economical usage of his labor and the most successful methods of merchandising. The credit department concerns itself with the financial end of his business, helping him properly to analyze his financial reports and make the necessary changes when ratios and percentages vary too far from those of a normal operation.

The marginal credit risk is the customer whose business will mean more profit to a seller in today's market. It is this type of customer that requires the combined attention and cooperation of sales and credit.

Improperly handled, the borderline risk creates bad debt losses; properly handled he helps to increase the volume of profitable business.

The first requirement in handling this type of risk is that the salesman must devote much time and effort in determining the value of the account from the standpoint of profitable sales volume. He then must be able to acquaint the credit manager with sufficient information to evaluate the financial risk when all the credit data are obtained.

The second requirement is that of speedy action when we get the first indication that a marginal credit risk is cracking. Sound counseling, additional sales and merchandising assistance in most cases will prevent failures and credit losses if given at the proper time.

In addition to the development of the marginal credit risk into profitable sales volume, it will be necessary for Sales and Credit to coordinate their knowledge and experience to encourage and assist in the creation of new outlets for their company's products.

The origination and growth of the self-service drive-in hamburger-malt operation in this area is an excellent example of a type of new business development which has resulted in a very substantial increase in the use of fresh milk and ice cream.

I feel that we are entering a phase of the business cycle in which an industry must work more closely with present and potential users of its products to enable them to operate profitably and successfully.

## **RICHARD W. PHELPS** **BEGUN ON P. 10**

and export sales managers, the sales and credit departments exchanged pledges of close cooperation.)

To accomplish this cooperation, it is necessary that the individual salesman be made aware of what the credit department, with the salesman's help, can do for his customers. This help means more commissions for the salesman. It is not the intention that he become a bill collector as such, but he must be informed when his "patient is ailing," when one of his accounts becomes delinquent, and should be ready on short notice to take action recommended by the credit department.

Our field sales force now authorizes open shipments to new accounts within limitations more liberal than in recent years. With this increased credit extension authority goes the responsibility for the salesman to get to know his account more thoroughly and to refrain from overselling. Since Ozalid diazo-type sensitized materials fall into the category of perishable products, this is very important in our business.

Through the use of every credit tool at our disposal, including such arrangements for Ozalid whiteprint machines as lease agreements with equity clause and purchase option, conditional sales contracts, and so on, it is our aim to make every sale possible.

It should become almost a requirement that a borderline customer of potential volume, justifying the time and effort required to help him get on his feet, must have the assistance of the forward-thinking credit manager. A conscientious credit man wants to help his customers and give them business guidance, such as pointing out dangerous practices and making recommendations for more profitable operation. His reward is almost as much in seeing his customer's business flourish as in seeing the increased profitable sales made to this customer.

The pendulum labeled "effort required to produce volume sales" is swinging upward, and credit managers in the imminent phase of the business cycle, who are not willing to be left behind, must discard the motto "How can I keep my losses down", and go forward with this question: "What factors does each account have which would permit me to extend more credit?"

## **New Executives Benefit By Advice of Experience**

**H. J. EHLERT**

*Credit Manager  
Willard Storage Battery Co.  
Cleveland, Ohio*



**M**AY I suggest that all of us re-examine our personal financial, profit and loss statement, based on our experience in field and office. Let us at the same time review what we have done to enhance our education and our relations with our colleagues, particularly those young people who entered the credit profession after 1940, and the new salesmen.

With all the unusual complexities surrounding a "distressed account," would it not be advisable for those credit executives with experience of the early 30's to counsel graciously with them, especially when they are mutually interested in such accounts?

None of us knows all the immediate answers. All of us should seek constructive counsel, not only from our superiors. Bring this matter before your credit organization.

Among the many important questions precipitated into extended discussion by the heightened competition are four which to me appear especially significant today. Your experiences may differ from mine, but here are my answers to my own questions:

(1) *Should you recommend to Top Management a more liberal credit policy?* **ANSWER:** Experience has taught me that a very liberal credit policy does not replace salesmanship. Unless your industry requires it, because of competition, it is still dangerous not only to you but to your customers, for "easy credit" invites careless practices. Long credit terms have caused and will continue to cause any number of businesses to fail by becoming derelict in handling their own accounts.

(2) *Should you give credit to more "risk accounts"?* **ANSWER:** Your records will divulge that while some "risk

accounts" may develop into good accounts, the others will be very slow pay. You may be spending a great deal of your time in traveling, telephoning and writing. Too many of such accounts on your books may eventually reflect on your judgment, also may compel your company to borrow money to carry them. Your own experience will tell you most of your losses come from these "risk accounts."

(3) *Should you continue to train salesmen in credit procedure to handle prospects and delinquent accounts?*

ANSWER: All salesmen should be properly indoctrinated with sound credit principles and your company policy. Occasionally a credit-minded salesman can give you information that may save your company considerable money.

(4) *Should you counsel only with borderline or delinquent accounts?* ANSWER: Unfortunately some companies' policies permit their credit executives to call upon only their delinquent accounts. Why not spend some time with the management of a progressive, good paying account? Many good, constructive ideas can be absorbed, and passed on to slow-pay accounts. Everyone benefits.

Finally, what can be a better guide to credit operation than "To Serve Well Is to Earn Well."

## CHARLES F. WOOLLEY BEGUN ON P. 11

underway. It is being accomplished through letters over the signature of the credit manager and the sales manager, and under instructions from the president of the company. Occasional credit department participation in sales meetings at the home office and various sales offices supplements the program. The program is designed to foster a broader point of view, so that the salesman may see things as seen by home office executives. The wealth of information now coming up through our field representatives is one result of this program.

## THEY PARTICIPATED IN THE STUDY

CHARLES M. COHEN, for the last 12 years credit manager of the Hatfield Wire & Cable Division of the Continental Copper and Steel Industries, Inc., Hillside, N.J., is chairman of the Lamp Suppliers Credit Association, affiliated with the National Association of Credit Men. Mr. Cohen, graduate of Fordham University Law School, and the City College of New York with a business administration degree, practiced law for 10 years. He also attended Rutgers University for a post-graduate course in accounting.

ARTHUR DOUGLAS, graduate of Columbia University, New York, reached Los Angeles by scarcely easy stages. As a sales engineer in training at General Railway Signal Company he wielded pick and shovel. In 1934 he joined the Beneficial Industrial Loan Corporation in credit and loan management, and seven years later was transferred west to head business development in five states. After wartime service as project coordinator at Lockheed Aircraft Company, he became credit manager in the fresh milk and cream division of the Carnation Company.

H. J. EHLERT, with the Willard Storage Battery Company since 1923, was advanced to assistant credit manager in 1937, and six years later was made credit manager. Besides a LaSalle extension course in bookkeeping he took evening courses at Western Reserve, in public speaking, accounting and English; at Cleveland College in business administration, credit and letter writing; and in the National Institute of Credit.

H. N. HEADINGTON, manager of the credit department of the



HEADING 50-YEAR BIRMINGHAM ASSOCIATION OF CREDIT EXECUTIVES: (r to l) B. F. Cannon, credit manager, Cosby-Hodges Milling Company, treasurer; J. L. Mason, assistant vice president, The First National Bank of Birmingham, association vice president; R. E. Bates, credit manager, Ingalls Iron Works Company, Inc., president; and W. C. Darby, secretary-manager.

Addressograph-Multigraph Corporation, Cleveland, developed and guided the credit and collection policies through the merger of the two companies into a place among the leaders in the office equipment industry. In those 36 years he was assistant credit manager, then collection manager, before taking over the credit management.

EDWARD HEINE, credit manager and assistant to the president, The H. A. Seinsheimer Company, Cincinnati, holds degrees from Villanova College and the University of Pennsylvania. He was credit manager and general manager of The Middishave Company before joining Seinsheimer, and was formerly chairman of the Textile Group of the Cincinnati Association of Credit Men and is a past director of its Service Corporation. Mr. Heine saw service in World War II as military intelligence agent in Europe and during the Korean hostilities was operations officer for counter intelligence in France.

R. W. JOHNSTONE, credit manager of the Norton Company, Worcester, Mass., and Norton Behr-Manning Overseas, Inc., is a graduate of Boston University's college of business administration and Wisconsin University's graduate school of credit and finance. He has taught credits and business management at Worcester Junior College and has been associated with credit departments in three major industries in the last 30 years.

G. F. LANGENOHL, treasurer and assistant secretary of the Allis-Chalmers Manufacturing Company, Milwaukee, attended Marquette University before joining the Allis-Chalmers treasurer's division in 1922. Preliminary to attaining his present post he had been successively collection correspondent, credit and collection manager and assistant export manager of the tractor division, assistant to the treasurer, then assistant treasurer.

COLLEGE VACATION employment by the Ford Motor Company in Detroit initiated R. W. PHELPS into the workings of the reproduction and purchasing departments. After graduation from Wheaton College in Illinois he entered realty sales and property management. Joining the Ozalid Division of General Aniline & Film Corporation in 1942, in the accounting department, there came an interlude of Navy service, with return to Ozalid in 1947. He became credit manager in 1952. Mr. Phelps is vice president of the Triple Cities Association of Credit Men.

CHARLES F. WOOLLEY, credit manager and assistant controller of the Marcalus Manufacturing Co., Inc., and chairman of the National Paper Industry Credit Group, National Association of Credit Men, was with the Shell Oil Company five years and Public Service of New Jersey 11 years. He became associated with Marcalus seven years ago, has been credit and office manager for six of them and additionally assistant controller the last two years.



# Turkey Crop Control, Not Quotas, Called Solution to Price Fall, Feed Cost Rise

THE problems of the turkey growers, who in 1953 had their best year since 1948, won't be solved by increased production this year because "prices will be going down while feed costs go up, narrowing the profit margin," industry authorities told representatives at the spring conference of the Upper Midwest Feeder Finance Credit Group, in Minneapolis. Increased production versus controls and profit margins, insurance coverage and credit problems attendant upon a relatively new industry, were among the major subjects tackled by the group.

Envisioning a production of 60 million turkeys and more than one billion chicken broilers, industry leaders see price as a pivotal factor in production, and the feeder credit groups as vital to stabilization of the business.

"A turkey production increase of 7 per cent this year for the country will bring prices down 1 to 3 cents per pound from the 1953 average of 33.9 cents," declared Dean McNeal, vice president of Pillsbury Mills, Inc., Minneapolis. "Feed prices will be up from \$3.85 in 1953 to approximately \$4 per 100 pounds. The margin over feed costs will be lower, going to about \$2.20 a bird, as compared with \$3.19 in 1951, \$2.26 in 1952, and \$2.69 in 1953."

Mr. McNeal sees the greatest increase in production in the west north central area, which includes Iowa, Minnesota and Utah. On the favorable side, Pillsbury's McNeal notes that the food consumption rate is being maintained, as contrasted with declines in production, employment, and other categories of consumer purchases.

## Opposes Quotas, Favors Crop Controls

"Not quotas but crop controls," urged Dr. W. A. Billings, University of Minnesota Agricultural Extension Division, and "the feed industry can do more to control the turkey crop than anyone else." He counseled against "going hog wild in production and in the building of new brooders." If 7 million turkeys are raised in Minnesota this year, as estimated, "there will be trouble";

## BABY FORMULA

THE dextro-maltose-water formula is not the only one applied to babies. Johnson & Johnson's Irving Quackenboss, director of the baby products division, New Brunswick, N. J., has issued a report which shows that each baby may be expressed as \$100 of sales per year to the neighborhood drugstore. With a harvested new crop of 3,900,000 babies in 1953, he says this augurs well for the drugstore business, not to overlook their suppliers.

he urged a holding of the line on production.

W. E. Glennon, president, American Feed Manufacturers Association, Chicago, cited the development of the feeder credit groups, who are being consulted more and more by management. "Feed credit is not yet on a sound basis, due largely to its being a new industry," he said, recommending "careful attention to the marginal grower, particularly the part-time grower with small stocks."

W. G. Kromer, credit manager, Quaker Oats Company, Chicago, and member of the special credit committee of the American Feed

Manufacturers Association, said "every manufacturer should affiliate himself with a credit group." He underlined the need for the individual to "work with other suppliers in the industry through credit groups for the stabilization of the industry and to learn from others what is going on in the field, so as better to serve his own company and industry." He predicted that the local groups in time will have an interlocking effect to the point where the industry will be stabilized.

Al E. Eisenmenger, secretary, Minnesota Turkey Growers Association, St. Paul, discussed the marketing of turkeys and stressed "no price control."

E. G. Freeman, attorney for the Property Owners Mutual Insurance Company, St. Paul, in a talk on "The Insurance Outlook for 1954" outlined the problems confronting the industry in satisfying its insurance needs.

Suggestion was made that the fall meeting include the sales managers.

Ben F. Reinking, general credit manager, General Mills, Inc., Minneapolis, was chairman of the conference. Its secretary was Rubert Lindholm, of the Minneapolis Association of Credit Men.



FROM OFFICE BOY TO PRESIDENT—C. S. Fensom (right), shown with Henry H. Heimann, executive vice president of the National Association of Credit Men, started with the Watkins Cottrell Hardware Company, Richmond, Va., 60 years ago as office boy. The name at that time was the Cottrell Hardware Company. Mr. Fensom, past president of the Richmond Association of Credit Men, is the only living charter member of that association. He attended the organizational meeting January 18, 1904, and has filled every office. Mr. Fensom also is a past director of National.



## Office Executives Celebrate 25 Years of Methods Growth

With a review of the development of office management methods since its year of founding, the Office Executives Association of New York, Inc., set the pace for its silver anniversary celebration in New York. Frank L. Rowland, executive director of the Life Office Management Association and a charter member of the New York Office Management Society in 1929, was principal speaker. Orrin G. Sherman, vice president, Recording and Statistical Corporation, who was president of the National Association of Office Managers in 1929 and headed the New York Office Management Society in that year, was chairman of the dinner meeting.

The New York chapter, second to affiliate with NOMA (the National Office Management Association), points to these among its numerous achievements: largest chapter, with 720 members; winner of four NOMA awards for outstanding chapter achievements; and ownership of the National Business Show since 1950 for exhibition of the latest developments in office machines, systems, equipment and supplies.



WINSTON-SALEM—Speakers table at the joint dinner meeting sponsored by the Winston-Salem Credit Club and the Credit Women's Breakfast Club: (l to r, seated) William J. Conrad, vice president, secretary and credit manager, R. J. Reynolds Tobacco Co.; Edwin B. Moran, secretary and assistant executive manager, National Association of Credit Men, guest speaker; Mrs. Euna L. Sandefur, president, Credit Women's Breakfast Club. (Standing) Charles F. Benbow, assistant credit manager, R. J. Reynolds Tobacco Co., program chairman.

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**CREDAK, Inc.**, employs the facilities of the local credit agencies and the local collection agencies in each area of operation.

**CREDAK, Inc.**, helps you establish a local agency in its network of franchises whereby you provide yourself with substantial continuing income. You must be a resident of your state and withstand a character and credit investigation. Minimum investment of \$4,000.

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## Moran Unlocks Ten Doors To Credit Operation Today

Ten rules for keeping apace changing conditions of credit operation were delineated at a joint meeting of the Winston-Salem Credit Club and the Credit Women's Breakfast Club, which received widespread notice in the local press.

The guest speaker, Edwin B. Moran, secretary and assistant executive manager of the National Association of Credit Men, predicted "a good year industrially, with a nominal shrinkage of volume and some squeezing of profits," then put forward these suggestions for the guidance of the credit executives:

- (1) Sit in with your executive committee and find out what your company's plans are, what new products are coming up, what new territories are to be opened.
- (2) Present the front office with an advance program and clear the program with the sales manager.
- (3) Talk in terms that management appreciates. Report the collections first rather than the losses. Be positive, not negative.
- (4) Pre-analyze every prospective account. Determine if you have the maximum amount of business from each customer by checking into his potential buying power.

(5) Set your line of credit in keeping with the customer's potentialities. In other words, have a flexible limit.

(6) Travel the territory. "The swivel chair has ruined more good men than wine, women and song."

(7) Attend sales meetings.

(8) Be a salesman. Sell the idea of credit as an important function of the organization. "Credit has done more to enrich mankind than all the gold mines in the world."

(10) Take advantage of your opportunities to make more contacts and to do a public relations job for the company.

J. B. Jackson is president, R. B. Smith secretary, of the local association.

## Air Travel Instalment Credit

A form of instalment credit in air transportation, inaugurated May 1st by Pan American World Airways, is expected to stimulate overseas transportation much the same as did the introduction of this principle to the automobile and home appliance industries. The plan, available on the services of PAA and its affiliated carriers from the United States to the 83 countries served by the system, provides for a 10 per cent down payment and up to 20 monthly payments thereafter.

## Blueprint for Greater Sales By Effective Use of Credit

BETTER SALES THROUGH CREDIT—By Joseph L. Wood. \$3.00, Vantage Press, Inc., 120 West 31 Street, New York 1, N.Y.

SUCCESSFULLY proving that no department of an industrial enterprise, aside from the sales department itself, can contribute more to increased sales and hence profits, than the credit department, Joseph L. Wood, assistant treasurer and general credit manager of Johns-Manville Corporation, and president of the Sales Executives Club of New York, presents a refreshing blueprint for increasing distribution through effective use of credit, in his newly published book on "Better Sales through Credit."

Avoiding textbook mannerisms, Mr. Wood boldly moves forward into the usage of credit and collection techniques as a militant force in expanding sales and increased profits. His study thus becomes in effect a postgraduate textbook on the art and science of credit.

His book deals less with fundamental details of credit than with credit's larger application to greater sales and profits. It is written in an easy, readable style, defining credit more as an important sales technique than an instrument of financial control.

"All, or nearly all credit extension," writes Mr. Wood, "involves some risk. The financial consultant exercises his judgment and ingenuity in devising ways and means of minimizing the risk while multiplying the profit. He renders a service not only to his employer but to the customer."

Recognizing that ratings are not infallible guides, that many a merchant with a so-called "blank rating" is an acceptable credit risk, Mr. Wood urges the credit manager to visit his customers, to know their business capacity, the facets of their personalities, their merchandising philosophies, their operating policies and their in-and-out-of-business interests as a routine part of his responsibility in partnership with sales and as a part of the profit-building structure of the modern credit department.

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*If you are not afraid to face  
the music, you may get to  
lead the band some day.*

---

—P. Walker

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helps your business

build business!

1. Harmonizes Credit-Sales relations.
2. Gives Accounts Receivable real value.
3. Creates confidence—basis of all credit.
4. Endorses customer's promise to pay.
5. Helps avoid secondary credit costs.
6. Protects working capital invested in Receivables.
7. Backs judgement of Credit Executive.
8. Provides endorsement for banking purposes.
9. Minimizes risk and anxiety, promotes planning.
10. Gives positive loss prevention.
11. Provides service for handling collections.
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13. Provides accurate cost basis of shipments.
14. Creates an adequate bad debt reserve.

For booklet, write Dept. 47, First National Bank Bldg., Baltimore 2, Md.

## American Credit Indemnity Company of New York

# UP THE EXECUTIVE LADDER

The American saga of "enterprise rewarded" is typified in the career of Marshall A. Case, who began as messenger boy with the Bank of California, Portland (Ore.) branch, in 1910 and now has been elected to vice president of that branch. Through 43 years of continuous service, his progress has been steadily upward, through various departments—transit, savings, foreign exchange, new accounts and credit, to appointment as assistant manager in 1936, a post he held until his present position. Mr. Case remains at the Portland branch with increased responsibilities. He is a member of the board of the Controllers Institute of America, a former president of the Portland Clearinghouse association, and a member of the Portland Chamber of Commerce.



M. A. CASE



C. V. LANE

CHARLES V. LANE has been promoted to vice president of the Marine Midland Trust Company of Central New York, Syracuse, from assistant vice president. In his new position he will continue his duties as a loaning officer in the bank's commercial loan division. Mr. Lane joined the bank in 1926 following graduation from Syracuse University's college of business administration. He advanced through various departments and in 1939 was made an assistant treasurer. His activities have been chiefly connected with the credit phase of banking. He is a past president of the Syracuse Association of Credit Men and a member of the Robert Morris Associates. He also is a graduate of the Graduate School of Banking at Rutgers University.

M. H. PEACOCK has been elected president and R. M. BOWEN vice president of Lincoln Paper Company, subsidiary of DITTO, Incorporated, Chicago.

Mr. Peacock began in the paper business as a millhand in 1923. He joined Lincoln Paper as vice president in charge of sales in 1937. He



M. H. PEACOCK



R. M. BOWEN

will continue direction of distribution and merchandising activities.

Mr. Bowen was originally with DITTO and went to Lincoln Paper as general manager in 1951. As vice president he will retain management of operations.

JOHN H. MAASS has been named credit manager of Hudson Pulp & Paper Corporation, New York, N.Y. He also retains his duties as office manager. Mr. Maass began with Hudson more than 15 years ago and was at one time chief accountant. He is a member of the National Association of Office Managers, the New York Credit & Financial Management Association, and the newly chartered National Paper Industry Credit Group, N.A.C.M. He also is a member of the New York Bar. He succeeds the late A. William Tobey.

CHARLES B. HARRISON has been appointed division credit manager of the Maxwell House Division, General Foods Corporation, with headquarters at Hoboken. He joined General Foods, Birds Eye division, New York, as credit manager in 1949. He previously had been treasurer, Montgomery Paper Company, Inc., from 1945 to 1949. Prior affiliations included Chemical Bank & Trust Company in credit investigation and analysis; life underwriter for the Massachusetts Mutual Life Institute, Springfield, Mass., and the National Life Insurance Company of Vermont; salesman for International Latex Corporation, Dover, Del.; and



J. H. MAASS



C. B. HARRISON

administrative assistant in the credit department of the Federal Reserve Bank of New York. A graduate of Rutgers University (1929), he is a member of the New York Credit & Financial Management Association, N.A.C.M.

EARL E. GRAY has advanced to executive vice president and Roy KRITSER has been named secretary and treasurer of the Caspers Tin Plate Company, Chicago. Mr. Kritser succeeds L. K. Hitchings, vice president and treasurer, who retired after 16 years' continuous service.

Mr. Gray in 1920 began employment with the Continental Can Company, and his business career has been primarily in the metal decorating industry. He was instrumental in organizing Channel Can Company,



E. E. GRAY



ROY KRITSER

which later became the O'Cedar Corporation. He next joined Caspers Tin Plate Company and has served as general manager, vice president and secretary. He is a past president of the National Metal Decorators Association, is now a member of its board and of the "Old Guard" Society of the National Canners Association.

Mr. Kritser majored in accounting and business administration at the University of Illinois and Northwestern Evening School of Commerce. He first was employed in the accounting department of the Steel Sales Corporation. After four years he became associated with Caspers Tin Plate. He served as treasurer of the subsidiary Lafayette Steel Corporation for four years and returned to the parent company as assistant secretary and office manager. In 1948 he became controller, and now succeeds Mr. Hitchings as treasurer as well as secretary.

Mr. Hitchings began his business career in 1907 with the Central Maine Power Company, in charge of the hydroelectric power plant. Since 1937 he had been with Caspers Tin



Plate and served continuously as vice president and treasurer up to his retirement. A member since 1938 of the Chicago Association of Credit Men, he has served on its board and its financial and executive committees.

JOHN T. BROWN, JR., has been elected vice president of Hajoca Corporation, Philadelphia. In addition he will continue his duties as treasurer. Mr. Brown began with Haines, Jones & Cadbury Company in 1907, following graduation from the University of Pennsylvania, and in 1913 was made treasurer. In a merger in 1927 which formed the Hajoca Corporation, he was elected assistant treasurer and in 1932 advanced to treasurer. He is a past director of the National Association of Credit Men and a past president of the Credit Men's Association of Eastern Pennsylvania. He authored CFM's Credit Problem of the Month in December 1953.

JAMES W. CARPENTER has advanced to vice president of the Union Bank of Michigan, Grand Rapids, from assistant vice president. He is in charge of the bank's credit department. Mr. Carpenter joined the Union Bank staff in 1946 following Navy service, was named assistant cashier in 1949 and assistant vice president in 1951. A graduate of Michigan State College and of Rutgers University Graduate School of Banking (1953), Mr. Carpenter also is president of the Grand Rapids Association of Credit Men.

MISS CICILIA W. KELLY, named vice president and treasurer of Kentile, Inc., Brooklyn and New York City, began with the company as a clerk-typist. She is the first woman in the organization to achieve management status at this level. She for many years has been a member of Kentile's executive committee, which establishes and directs company policies and operation.

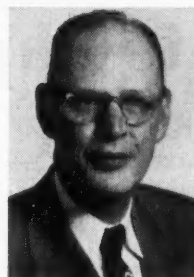
MARCUS M. FISHER, who was one of a "selected group of promising students" recruited by United States Steel Corporation, has been ap-

pointed assistant controller. Mr. Fisher entered U.S. Steel's employ as a technical apprentice on graduation from the Wharton School of the University of Pennsylvania in 1938 and was assigned to the American Steel and Wire Division's operations at Worcester, Mass., and at Cleveland, Ohio. Followed transfer to New York as a junior statistician in 1940, assignment to Pittsburgh in 1944 as assistant to the statistics supervisor, and in 1950 supervisor of the statistical division at New York.

BEN W. STAUFFACHER, promoted to northwestern district credit manager, Westinghouse Electric Supply Company, Chicago, previously held a similar post in the central New York district, with headquarters at Rochester, N.Y. At Chicago he succeeds Riley de Lano, who has become finance representative.

Mr. Stauffacher's association with Westinghouse began in 1931.

In Omaha he had been the president of the Omaha Association of Credit Men (1943-44), at the time the "War Credit Congress" was held there. At Rochester he was on the board of the Rochester Association of Credit Men, and he is a past president and served as a director of the Rochester Credit Men's Service Cor-



C. E. STENDER



B. W. STAUFFACHER

poration. He holds the Fellow Award of the National Institute of Credit.

CLARENCE E. STENDER has been elected treasurer of Pressed Steel Tank Company, Milwaukee, Wis. Mr. Stender entered the company's employ as a clerk in 1916 and advanced successively to office manager, controller, and assistant secretary and treasurer. He is president of Milwaukee Control, Controllers Institute of America, and a past president and national director of the National Association of Cost Accountants.

ANTHONY SCIRICA has been appointed controller of Lathrop Vandewater Paper Company, New York, N.Y. Formerly senior auditor of Chesapeake Industries, Inc., he also has been associated with W. R. Grace Company and Zonite Products.

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M. M. FISHER

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# Guides to Improved Executive Operation

## KEEPING INFORMED

### WHAT HAPPENS IF SALES DECLINE?—

To help management plan ahead for financial problems that would result if their business should drop, the American National Bank & Trust Company of Chicago is distributing a booklet containing sample budgets designed to provide clues to the answers. Profit and loss statements are presented for a fictional company to show the possible effects of a sales volume drop resulting from (1) 20 per cent and 40 per cent decline in number of units sold; (2) declines in the sales price per unit; (3) combinations of both adverse developments. The suggestions given are merely an approach to the problem but do offer a method of carrying on from there. Write for your copy to American National Bank, 33 N. LaSalle St., Chicago, Ill.

### MATERIAL CONTROLS FOR SMALL

PLANTS—Materials are often the largest single item in the cost of a product. They account for as much as 90 per cent of the manufacturing costs in some businesses and are equal to overhead and labor in some plants. Inventories are usually the largest current asset on the balance sheet. This booklet includes information on organization, planning, procedures and records. Free. Write for Management Aid No. 35, U.S. Department of Commerce, 221 N. LaSalle St., Chicago, Ill.

**SO YOU WANT A BETTER JOB**—A 24-page booklet by P. W. Boynton, telling how to do better in your present job; how to improve yourself, and how to get along with your co-workers. Write to the Socony-Vacuum Oil Co., 26 Broadway, New York 4, N.Y. Free.

**WHAT'S THE ANSWER?**—A small statistical library might be very useful in obtaining answers to economic and statistical questions. This 24-page pamphlet outlines how such a library can be organized, and suggests valuable reference works. Write to the Economic Research Dept., Chamber of Commerce of the U.S., Washington 6, D.C. Price 50 cents.

*Informative reports, pamphlets, circulars, etc., which may be of interest to you. Please write directly to the publisher for them. CREDIT AND FINANCIAL MANAGEMENT does not have copies available.*

*To expedite receiving these booklets, please address all inquiries concerning Efficiency Tips to CREDIT AND FINANCIAL MANAGEMENT, 229 Fourth Ave., New York 3, N.Y.*

## EFFICIENCY TIPS

367—MINNESOTA MINING AND MFG. COMPANY'S "Executive Manual" describes successful offset printing and processing procedures for internal printing departments in business and industry. It explains procedures practiced by business departments in large corporations, and lists office and business materials which are typed, written or drawn, and how to reproduce them inexpensively.



368—STANDARD DUPLICATING MACHINES CORPORATION, in "Standard Presents The Coronet," graphically illustrates how the Coronet fluid duplicator turns out better copies faster than formerly possible. The device, said to make 80 copies a minute, is described in detail.



369—TIFFANY STAND COMPANY offers "My First Choice and My Boss' Too!", a brochure which presents in color, and amusing cartoons, the features in the Tiffany stands. All available models are illustrated and described in detail.



370—REMINGTON RAND has a booklet, "The Dividends You Get with Remington Rand Electric Typing," which is designed for top-management analysis of high typing costs. It points the way to cleaner copy, more carbons, uniformity, less fatigue and increased production. Contains many case histories. Ask for booklet RE 8612.



371—EASTMAN KODAK COMPANY offers a new booklet, "Modern Drawing and Document Reproduction," providing up-to-date data on Kodagraph reproduction materials. Designed to give basic data on microprint paper for use in industrial and engineering fields.



372—PIERCE SPECIALIZED EQUIPMENT COMPANY, in "Miss Tip-Outs Has Something to Show You," describes the advantages of carbon interleaved forms produced on the Tipmaster All-Electric Glue Tipper. Examples of forms in actual use are presented.

## BOOK REVIEWS

**THE CREDIT DEPARTMENT—A TRAINING GROUND FOR THE BANK LOAN OFFICER.** Revised Edition. \$1.50. Robert Morris Associates, 1417 Sansom Street, Philadelphia 2, Pa.

♦ In the first complete revision since the original printing in September, 1946, much of the text has been rewritten, some entire chapters, and new forms have been added, charts brought up to date. The publication is bound in hard covers and contains an extensive bibliography of book titles, periodicals and other reference works for the bank credit department and bank library. The objective is a handbook for bank credit personnel and loan officers, of interest to other credit department folk as well.

**INSTALMENT SALES FINANCING: Its Services to the Dealer**—By Clyde William Phelps. Studies in Consumer Credit, No. 2. Commercial Credit Company, Baltimore 2, Md.

The monograph, by the head of the department of economics at the University of Southern California, was prepared in response to requests from educational institutions for a practicable work explaining the operations of a diversified sales financing company, says a foreword by Alexander E. Duncan, chairman of the board, and E. C. Wareheim, president.

The completeness of the study, concentrated largely on the automobile field but touching appliance financing, and to be followed by detailed analyses of services rendered, is evinced by the chapter headings. Among the contents are discussions of the importance of instalment selling and its financing, the nature and special characteristics of such a company, complete financing, capital loans, adequate and dependable financing, independent source, sales promotion assistance, "specialized know-how," insurance, credit and collection services, and retention of dealer control over time sales.

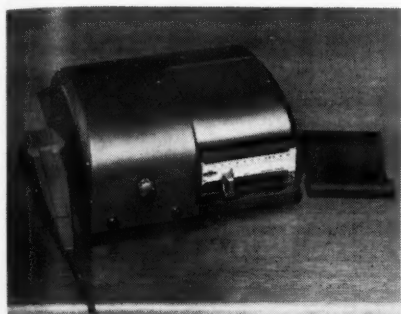
Dr. Phelps was also the author of the first monograph in the series.

*Books reviewed or mentioned in this column are not available from CREDIT AND FINANCIAL MANAGEMENT unless so indicated. Please order from your book store or direct from the publisher.*



# Modernizing for Office Efficiency

*introducing new office equipment and systems to effect economies in labor and cost, as well as to speed production of essential office work*

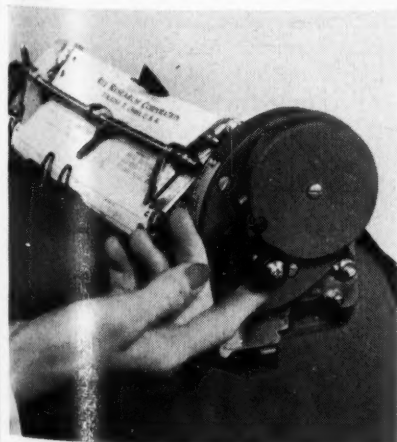


## Magnetic Belt Recording Medium

A dictation machine employing an endless magnetic belt as a recording medium, in combination with advanced electronic features, has been introduced by PEIRCE DICTATION SYSTEMS, INC., 5900 N. Northwest Highway, Chicago 31, Ill. The magnetic dictation machine records the speaker's words on an endless belt, which reproduces every word and inflection, and which may be used and reused an unlimited number of times. It can also be mailed or filed for future reference, and has a 15-minute limit, the time cycle most practicable for office use. Surface and operating noises are said to be eliminated. A correction may be re-dictated over what was originally dictated, and no correction slip is necessary. It can be used as a dictator and transcriber, or a separate transcribing unit is available. The machine is compact and available in basic colors to fit harmoniously into any office decor. For complete information write the manufacturer.

## Vertical Spacer-Line Finder

A new device from the MOORE



BUSINESS FORMS, INC., 900 Buffalo ave. Niagara Falls, N.Y., is a Vertical/Spacer-Line Finder for use on electric typewriters processing continuous marginal punched forms which permits continuous typing. Operated by the typist's right hand, a finger touch automatically snaps the forms from one writing area to the next. The left hand turns the source papers thus speeding the motion. Distance between stops can be adjusted to any area on the spacer, which is precision built of nylon gears. Stops can be selected as little as 1½" apart, as many as needed per form, or as varied as desired. The Spacer is light in weight and adds no additional strain to the typewriter, and saves time consuming line-by-line platen advancing. Inquiries should be addressed to the manufacturer.

## Fast-Action Table Top Collator

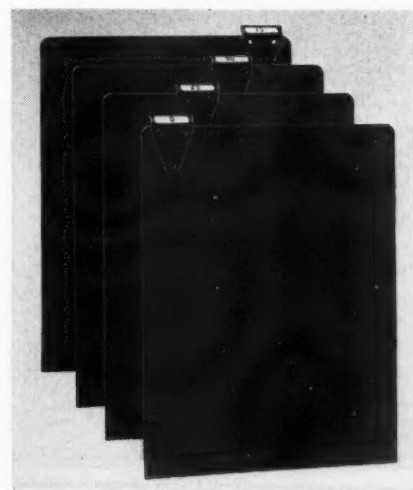
A new fast-action Table-Top Collator has been announced by THOMAS COLLATORS, INC., 30 Church st., New York 7. Using the same tilted bins, ejectomatic feed and ball bearing mechanism as the floor units, this portable paper gathering machine, available in both 5-bin and 8-bin capacities, occupies only 16" x 27" of desk space, yet enables one operator to do the work of several assembling papers by hand methods. Pages to be collated are stacked in bins, and rubber-tipped "fingers" push the top sheets of each stack into the operator's hand. The assembled set of papers is quickly jogged and drops into a gathering tray directly below the unit. The collating cycle is controlled by a hand lever which can be located on the right or left side of the unit. Papers are constantly before the operator for inspection, thus eliminating the possibility of blanks or misprints slipping through. More information is available from the manufacturer.

*When writing to the makers of these products please mention that you read about them in CREDIT AND FINANCIAL MANAGEMENT.*



## Curved Tab Ledger Guide

A curved tab ledger guide to increase the speed and accuracy in locating ledger cards is available from the ULRICH PLANFILING EQUIPMENT CORPORATION, Jamestown, N.Y. The index tab is curved giving visibility of over 90 degrees and making the index readable at any level. The curved tab has the same window opening as the standard tab. The guides themselves are made of red or pearl pressboard, with rounded top corners, rotary cut to eliminate any sharp edges. They are available with projection for rod if desired, and come in four sizes—6" x 9", 8" x 10", 8½" x 11" or 12" x 12". The manufacturer will also design special indexing systems for your particular needs. The makers of the guide point also to the operational economy. Write them for full particulars.





**Bakersfield Chapter Formed;  
Clyde Stickler Is President**

The Credit Managers Association of Southern California opens a new chapter with the establishment of the Bakersfield unit, of which Clyde Stickler, Bakersfield Paper Company, is president.



C. STICKLER

Groups have already "rolled up their sleeves" and met for exchange of ideas and experiences.

On one day simultaneous sessions of two groups were held, with 37 attending a farm group discussion and 17 at a food group meeting.

Further widening of the services of the chapter to credit executives is underway.

Writes Mr. Stickler: "In this day of readjustment of economics, such an office should be of vital interest to the suppliers in all communities. We are in the real test of the businessman's capability of coping with the situation, especially in view of the fact that he has been riding and coasting for so many years with not too serious a competitive selling problem and operating cost."

*New credit ideas to help  
increase your company's sales*

**BETTER SALES  
THROUGH CREDIT**

by Joseph L. Wood

Treas., Johns-Manville Corp.

Pres., N.Y. Sales Executive Club

Here is a fresh approach to the sales-credit partnership—a profitable, tested approach used by the author in his position as top credit man for Johns-Manville. This pioneering study begins where works on the science of credit leave off. It ventures into the art of credit, setting forth a new and refreshing principle: that credit is not chiefly a financial device to stop losses, but also an important sales technique. He backs up his points with case histories showing how sales and profits have flourished under wise application of his ideas. You can apply many of these sound ideas in your own company. Order a copy for yourself—get an extra copy for your company library. *A Recommendation of the Executive Book Club.* Money back in five days if not delighted.

**"Excellent" . . . "Refreshing"**

"Excellent . . . a dynamic presentation of expert knowledge."—Dr. Hedwig Reinhardt, Asst. Prof. of Business Administration, City College of New York.

"A refreshing blueprint for increasing distribution through effective use of credit . . . he regards credit and collection techniques as a militant force in expanding sales and profits."—Credit & Financial Management.

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**New Look to "Past Due" Reminders**

STATEMENT



750 PACIFIC STREET  
BROOKLYN 38, NEW YORK

John Doe  
16 Liberty Street  
New York 23, N.Y.

APR 30, 1954

| DATE    | INVOICE NO. | DEBITS | CREDITS | BALANCE<br>PAY LAST AMOUNT<br>IN THIS COLUMN |
|---------|-------------|--------|---------|--|
| 2-5-54  | 1279        | 175.00 |         | 175.00                                       |
| 3-20-54 | CASH        |        | 100.00  | 75.00  |
|         |             |        |         |  |

**An Example of Old Town's New Approach**

IN an ingenious departure from collection cliches and formal letters, Old Town Corporation's credit department utilizes its own inkless duplicating process to supplant the conventional "past due" sticker. Good-humored reminders, spirit-duplicated at the bottom of the statements, save company time, gain customers' attention and increase receipts. In place of the routine "Please remit," Old Town's statement is more likely to show a colorful illustration of the company's jar of hand cream with the admonition: "Clean up your old balance today!" Any number of novel messages can be devised, and to enhance the "new look," each month the color of the impression is changed.

As credit manager Frank Iandola explains it: "The idea came to me after I'd read a Research Institute report which stated that most companies don't get full value out of duplicating machinery because they have never analyzed all its possible uses. It struck me that we could dispense with stickers, stamps and handwritten notations by keeping a duplicator handy, together with a

few masters printed with original "dunning" copy.

"After the amounts are posted, I select the accounts which need attention, and a clerk flips the statements through the machine in seconds."

Samples of the collection methods may be obtained by writing Mr. Frank Iandola, credit manager, Old Town Corporation, 750 Pacific Street, Brooklyn 38, N.Y.

**Tariff Cuts Unsettling?**

PREDICTIONS of increased competition in the basic chemical area but long-term demand exceeding the expanded output capacities of today were coupled with a protest against further tariff cuts, at a Chemical Market Research Association session. Richard M. Lawrence of the Monsanto Chemical Company warned that the wholesale downward revisions under the Reciprocal Trade Program had been made in the pre-war preparedness era and the post-war construction period and had not been fully tested. He saw dangers of undermining the stability of the American economy.

# CREDIT MANAGEMENT

*Highlighting News Activities—National, Regional, Local*

## Panelists, Analysts and Educators Share Dais At San Francisco Credit Congress May 16-20

**S**PEAKERS of world note from both the halls of formal education and the marts of trade will share attentions with authorities on banking and credit management, and financial analysts from the fourth estate, when the 2,400 or more delegates hear the gavel signal the opening plenary session of the 58th Annual Credit Congress, in San Francisco May 16th through the 20th.



F. U. NAYLOR

Under the direction of the general convention chairman, Forest U. Naylor, credit manager of Pacific Gas & Electric Company and president of the Credit Managers Association of Northern and Central California, the several committees have all in readiness for the convention. Balance and interest have been combined in the finished and diversified program for

both the general sessions and Industry Group meetings.

Just as the addresses of the plenary gatherings are directed to the theme, "Meeting the Challenge of '54," so the members of 30 Industry Groups in their Tuesday programs



Jesse W. Tapp

(detailed elsewhere in this issue) will reveal to one another what their companies actually are doing to weld the buyers' market into another highly prosperous business year.

Financial management's responsibilities in the American economy "Beyond the Horizon" will be keynoted by Henry H. Heimann, executive vice president of the National Association of Credit Men, at the first general session, Monday morning, in the convention hall of the Fairmont Hotel.

Bankers, mercantile credit leaders and accountancy executives will pool credos and experiences in one of the highlight panels before the convention.

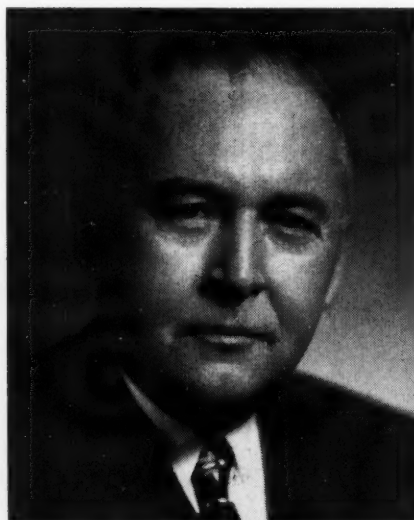
Six financial editors, with a financial consultant as moderator, will anneal the business developments of these last four months into the shape of things to come through 1955.

Among the headline speakers

*(Continued on following page)*



J. E. Wallace Sterling



William A. Patterson



Robert M. Hutchins



whom the delegates will hear from the plenary dais are:

**JESSE W. TAPP**, executive vice president of The Bank of America NT&SA and president of the San Francisco Chamber of Commerce;

**DR. J. E. WALLACE STERLING**, president of Stanford University, Palo Alto;

**DR. ROBERT M. HUTCHINS**, associate director of the Ford Foundation and former president and chancellor of the University of Chicago;

**WILLIAM A. PATTERSON**, president of United Air Lines, Inc.

On the lighter side: **MEREDITH WILLSON** and his wife, **RINI ZAROVA**, radio and concert stage stars, in their musicalecture, "The Long and Short of It."

**Henry F. Holland**, assistant secre-



*Meredith and Rini Willson*

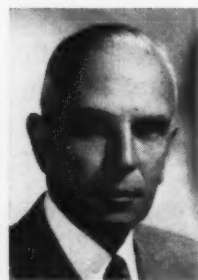
tary of state for Inter-American affairs, Washington, D.C., will address the international trade luncheon Wednesday in the Venetian Room of the Fairmont hotel. Mr. Holland will discuss "United States Trade with Latin-America." The gathering is co-sponsored by the world trade department of the San Francisco Chamber of Commerce, the foreign credit chapter of the Credit Managers Association of Northern and Central California, and the Foreign Credit Interchange Bureau.

Mr. Tapp, who is also a member of the management committee of the Bank of America, has held a number of federal government posts over the years. He is a member of President Eisenhower's Commission on Agri-

(Concluded on page 31)

## Inter-Service of Bank, Credit and C. P. A. Is Panelized

**T**HE interlaced responsibilities and functionings of banker, credit executive and certified public accountant in financial management face up to their greatest challenge in the competitive market of today. The why and how of this inter-service of companies will be presented at a plenary session



**B. F. EDWARDS, JR.**

on Wednesday, May 19th, at the 58th Credit Congress in San Francisco, as one of the most important events of the gathering.

Fashioned under the leadership of the chairman of the convention executive committee, **B. F. EDWARDS, JR.**, vice president, Bank of America, the panel will consist of triple teams of executives, two each representing the bankers, mercantile credit management, and the accountants.

For the bankers the speakers will be **T. W. JOHNSON**, vice president, Security-First National Bank of Los Angeles, and president of the Robert

Morris Associates; and **JOHN A. EISEMAN**, assistant vice president of The Pennsylvania Company for Banking and Trusts, Philadelphia.

Speaking for mercantile credit executives will be **C. GARRITT BUNTING**, secretary-treasurer, Detroit Steel Products Company, Detroit, Mich., and **W. L. HOLMES**, assistant treasurer, Schlumberger Well Surveying Corporation, Houston, Texas.

Partners in two companies of certified public accountants comprise the third team in the panel. They are **JAMES HAMMOND**, partner in Skinner and Hammond, San Francisco, and first vice president of the American Institute of Accountants; and **GEORGE O. CARLSON**, a general partner of Ernst & Ernst, Los Angeles.

**RANSOM M. COOK**, senior vice president of the American Trust Company, San Francisco, will serve as moderator.

Mr. Cook, who grew up in Portland, Ore., and attended Oregon State College, saw Army service in World War I. Since 1921 he has been associated with the American Trust Company, with experience in all departments of the institution. For the

last 25 years his duties have been primarily in the loan field. During World War II he handled loans on Government business. Now his service is in the commercial loan department, including supervision of the activities of the foreign banking department. Mr. Cook is chairman of the California Bankers Association's commission on lending practices, and is a member of the Association of Reserve City Bankers.

In his 34 years on the staff of the Security-First National Bank of Los Angeles, Vice President **T. W. Johnson** has concentrated chiefly upon loans and credit problems, currently upon lending activities in the industrial area. He is also in charge of defense production loans.

His election last year to the presidency of Robert Morris Associates is a tribute to his interest in the progress of bank personnel through the benefits of association activity. Past president of the Southern California Chapter, nationally he was successively on various committees, western director, chairman of the Bulletin committee, second and then first vice president. He is serving on



**T. W. JOHNSON**

**J. A. EISEMAN**

**C. G. BUNTING**

**W. L. HOLMES**

**JAMES HAMMOND**

**G. O. CARLSON**

**R. M. COOK**



the executive committee and on the committee on cooperation with the American Bankers Association. Member of the American Institute of Banking, he has lectured for several years at the Pacific Coast Banking School. He is a director of the Oneonta Club of South Pasadena.

It was in the credit department of the Bank of North America that Mr. Eiseman began his banking career. That was in 1923. Six years later the institution merged with what is now The Pennsylvania Company for Banking and Trusts, where he has charge of the commercial credit department. Mr. Eiseman is instructor in credit administration and analysis of financial statements, Philadelphia Chapter, American Institute of Banking, and serves on the committee on education of the Credit Men's Association of Eastern Pennsylvania, of which he is a director. Mr. Eiseman has headed the Philadelphia chapters of the American Institute of Bankers (1933-34) and Robert Morris Associates (1936-37).

Born in Ann Arbor, C. Garritt Bunting holds two diplomas from the University of Michigan, and applied his bachelor of laws degree first with

Milburn & Semmes, then with Bodman, Langley, Bogle, Middleton & Armstrong before entering Army service. Joining Detroit Steel Products Company in 1946, he was named assistant treasurer two years later, assistant treasurer and secretary in 1951, secretary and treasurer in 1952. Mr. Bunting has been a trustee of the Credit Research Foundation; vice president and director, Detroit Association of Credit Men; and vice president of the Detroit Chapter of the Tax Executives Institute.

#### All Wellknown in Credit Field

Mr. Holmes, a director of the National Association of Credit Men, past president of the Houston Association (two terms) and general convention chairman of the Credit Congress at Houston in 1952, was born in Tennessee, attended Arkansas A. & M., and received a degree in business administration from Hendrix College. Starting with the Arkansas Power and Light Company, he moved to Texas in 1936 and became a general office clerk in the division headquarters of Goodrich Tire and Rubber Company, thence to Firestone Rubber Company, and to

Schlumberger Well Surveying Corporation in 1941, as manager of the credit department, which he organized. In 1950 he was named assistant treasurer.

Mr. Hammond, who became a member of the American Institute of Accountants in 1930, is first vice president and member of the executive committee. Besides having been a member of the Institute's council, board of examiners, and committees on state legislation, Mr. Hammond is author of the chapter on "Planning and Controlling of Audit Procedures" in the CPA Handbook.

He is a past president of the California Society of Certified Public Accountants and its San Francisco Chapter, the California State Board of Accountancy, and the San Francisco chapter of the National Association of Cost Accountants.

George O. Carlson has been associated with Ernst & Ernst for 39 years, all but three of those years as a partner.

He is a past president of the California Society of Certified Public Accountants and a past president of the American Institute of Accountants.



LINDSAY ARTHUR



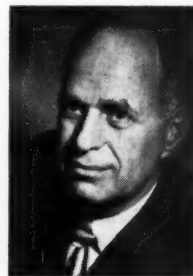
C. ST. PETER



JOE TAYLOR



S. P. ALLEN



J. S. PIPER



JOHN MARTIN

## Financial Editors of Bay Area to Look In on Outlook

**M**EET the financial editors of the San Francisco Bay Area. They will discuss the "Economics and Business Outlook for '54 and '55," in their panel presentation on May 17, an outstanding event of the Credit Congress.

The moderator for this forum will be HUBERT J. SOHER, financial

consultant, San Francisco. Mr. Soher was educated at the University of California and has been associated with various newspapers as a reporter and a financial editor. He was



H. J. SOHER

public relations director for the Bank of America, also a partner in charge of research with both W. R. Baker & Company and Walson, Hoffman & Goodwin, members of the New York Stock Exchange. In 1953 Mr. Soher was in a group of businessmen invited by President Eisenhower to visit foreign countries to evaluate the mutual security program. He has been much in demand for addresses before many organizations throughout the country.

#### Experienced Financial Analysts

LINDSAY ARTHUR, financial editor of the San Francisco *Call Bulletin*: Mr. Arthur is a native of California and received his early training as a reporter for the *Turlock* (Calif.)

*Daily Journal*. He joined the staff of the *Call Bulletin* in 1939, and in 1947 was made financial editor.

CHARLES ST. PETER, financial editor, San Francisco *Examiner*, has had experience from "coast to coast and border to border." Born in Menominee, Mich., he went east for his college education, was graduated from Georgetown University in Washington, D.C. Returning to Michigan, he found his writing career interrupted for four years by World War II. In San Francisco he became affiliated with the Pacific Coast Edition of the *Wall Street Journal*. After a year and a half his services were sought by the San Francisco *Examiner*, and in (Concluded at bottom of following page)

# Roster of Convention Nominations Committee

Chairman: Victor C. Eggerding, Gaylord Container Company, 111 N. Fourth Street, St. Louis, Mo.

## PRESIDENT'S CHOICES

### District

- 1—Ralph H. Mullane, Liberty Mutual Insurance Co., Boston, Mass.  
ALTERNATE—Harry Jackson, American Hardware Corp., New Britain, Conn.
- 2—W. R. Dunn, General Foods Corp., White Plains, N.Y.  
ALTERNATE—Howard Tewksbury, Ansco, Binghamton, N.Y.
- 3—Paul Millians, Commercial Credit Co., Baltimore, Md.  
ALTERNATE—J. S. Nichol, Harris Pump & Supply Co., Pittsburgh, Pa.
- 4—G. M. Clements, J. M. Tull Metal & Supply Co., Atlanta, Ga.  
ALTERNATE—R. E. Bates, The Ingalls Iron Works Co., Inc., Birmingham, Ala.
- 5—G. W. Sackett, Leitelt Iron Works, Grand Rapids, Mich.  
ALTERNATE—Maurice D. Fields, Central Rubber & Supply Co., Indianapolis, Ind.
- 6—V. A. Bingham, Macwhyte Co., Kenosha, Wis.  
ALTERNATE—Rex Davies, Cutler-Hammer, Inc., Milwaukee, Wis.
- 7—Orville G. Sorrell, Michaels Art Bronze Co., Covington, Ky.  
ALTERNATE—A. L. Johnson, Gross Photo Supply Co., Toledo, Ohio
- 8—R. W. Durrett, Sheffield Steel Co., Kansas City, Mo.  
ALTERNATE—A. J. Wagner, Mallinckrodt Chemical Works, St. Louis, Mo.
- 9—W. Don Eck, Paxton & Gallagher Co., Omaha, Neb.  
ALTERNATE—W. T. Wilke, Jr., Borchert-Ingersoll Co., St. Paul, Minn.
- 10—J. A. Hasse, General Electric Supply Co., San Antonio, Texas  
ALTERNATE—John K. Pranter, Metal Goods Corp., Houston, Texas
- 11—L. H. Koogle, Triangle Electric Supply Co., El Paso, Texas  
ALTERNATE—Lester C. Rothgeb, Foster Auto Supply Co., Denver, Colo.
- 12—J. J. Hays, Westinghouse Electric Corp., San Francisco, Calif.  
ALTERNATE—Bruce Winship, Scott Buttner Electric Co., Oakland, Calif.
- 13—W. E. Pettibone, Colyear Motor Sales Co., Seattle, Wash.  
ALTERNATE—J. D. Hartup, Standard Oil Company of California, Spokane, Wash.

## COUNCILLORS' CHOICES

### District

- 1—William I. McCullough, Dwinell-Wright Co., Boston, Mass.  
ALTERNATE—Floyd F. Messenger, Hood Rubber Co., Wattertown, Mass.
- 2—Luke T. Smith, Lincoln-Rochester Trust Co., Rochester, N.Y.  
ALTERNATE—Charles H. Seibert, Behr-Manning Corp., Troy, N.Y.
- 3—Stephen F. Sayer, First National Bank, Philadelphia, Pa.  
ALTERNATE—H. W. Shepherd, Shepherd's Auto Supply, Inc., Roanoke, Va.
- 4—Arthur E. Slack, I. W. Phillips & Co., Tampa, Fla.  
ALTERNATE—W. L. House, The Electric Supply Co., Atlanta, Ga.
- 5—Fred J. Flom, The Detroit Edison Co., Detroit, Mich.  
ALTERNATE—J. W. Allen, Wayne Hardware Co., Ft. Wayne, Ind.
- 6—E. A. Luther, National Surety Corp., Chicago, Ill.  
ALTERNATE—Earl W. Haberman, Northern Paper Mills, Division—Marathon Corp., Green Bay, Wis.
- 7—E. W. Hillman, The Federal Glass Co., Columbus, Ohio  
ALTERNATE—Presley H. Meyer, Peaslee-Gaulbert Co., Louisville, Ky.
- 8—William T. Sutter, Westinghouse Electric Corp., St. Louis, Mo.  
ALTERNATE—H. E. Wood, H. D. Lee Co., Inc., Kansas City, Mo.
- 9—W. W. Hill, Northern States Power Co., Minneapolis, Minn.  
ALTERNATE—E. N. Solomon, First National Bank of Omaha, Omaha, Neb.
- 10—C. G. McKellar, The Medaris Co., Dallas, Texas  
ALTERNATE—John McNair, Fox-Vliet Drug Co., Oklahoma City, Okla.
- 11—A. E. Press, Utah Power & Light Co., Salt Lake City, Utah  
ALTERNATE—Newman L. Sheets, Colorado Builders' Supply Co., Denver, Colo.
- 12—Arthur Reese, W. P. Fuller & Company, Los Angeles, Calif.  
ALTERNATE—Philip H. Davenport, Southern Equipment & Supply Co., San Diego, Calif.
- 13—Dale Smith, Washington Co-Op Farmers' Association, Tacoma, Wash.  
ALTERNATE—C. A. Parker, General Mills, Inc.—Sperry Division, Portland, Ore.

## THE FOLLOWING PAST PRESIDENTS

L. D. Duncan, Santa Barbara, Calif.  
A. J. Sutherland, Security Trust & Savings Bank, San Diego, Calif.  
C. Callaway, Jr., Crystal Springs Bleachery, Inc., Chickamauga, Ga.  
Charles E. Fernald, Fernald & Co., Philadelphia, Pa.  
Secretary to Committee: E. B. Moran, N.A.C.M., 229 Fourth Ave., New York 3, N.Y.

1947 he joined that publication to become its financial editor.

JOE TAYLOR, financial editor, *Wall Street Journal*, is a southerner reared in the midwest. With a diploma from DePauw University at Greencastle, Ind., he did graduate work at the London School of Economics and Political Science before starting work at the Harris Trust and Savings Bank in Chicago. (He says his "toughest course" was credit analysis.) He joined the *Wall Street*

*Journal* in 1934, served as copy editor and reporter, and is now managing editor.

SIDNEY P. ALLEN, financial editor, *San Francisco Chronicle*, a native of California and a graduate of Stanford University, has been with the *Chronicle* for 20 years.

JOHN S. PIPER, financial editor, *San Francisco News*, is another coast to coast man with a stop-off in the middle west. Mr. Piper was born in Maine, reared in New York State,

attended Wesleyan University in Connecticut. His early training was with the *Milwaukee Sentinel*, *Cleveland News*, *Buffalo Inquirer* and the *Des Moines Register*.

JOHN MARTIN, financial editor of the *Oakland Tribune*, was born in Iowa. He entered the newspaper field with the *St. Joseph Missouri Gazette* in 1910, and has been associated with three leading news services, Associated Press, International News and United Press.



## U.S. Economy Will Snap Back Consumer Spending: Upgren

"The present 2 per cent recession" will be fully met by President Eisenhower's program, and further support to the economy will come from the sustained consumer spending, "bringing about an economic 'snap-back' as occurred in 1949 and 1950." These optimistic notes were sounded by Dr. Arthur R. Upgren, dean and director of research, The Amos Tuck school of business administration, Dartmouth, at a meeting of credit men and bankers of central New York, sponsored by the Syracuse Association of Credit Men.

The economist, who is a member of the faculty of the N.A.C.M. graduate school at Dartmouth, urged the credit men, "who are so vital a part in the entire process of economic expansion," to support President's six-point plan, which he listed as: (1) Stimulation of tax reduction; (2) encouragement of higher depreciation allowances to enlarge business capital investment; (3) improved credit provisions to maintain new housing starts; (4) reduction in excise taxes; (5) lower defense outlays; (6) expanded public works.

The importance of the meeting and the speaker's message, titled "What's Ahead for Business," captured the lead editorial position in the *Syracuse Herald-Journal*, as well as prominent news space in the *Syracuse Post-Standard*.

## Messer Donates Trophy

**D. M. Messer, vice president and general manager of the Dohrmann Commercial Company, San Francisco, and president of the National Association of Credit Men, has donated a trophy to be awarded to the outstanding member of the Royal Order of Zebras, the "475" Club of New York, the Plus-One Club, or the Vigilantias, who is chosen for his exceptional assistance to the association of which he is a member.**

**Nominations will be submitted to an impartial committee at the San Francisco convention, where President Messer will make the presentation.**



**SPEAKER Dr. A. R. Upgren** (second from left) dean of The Amos Tuck school of business administration, Dartmouth, and member of the N.A.C.M. graduate school faculty there, is congratulated by Dean Kenneth Bartlett of Syracuse University, following talk before the Syracuse Association of Credit Men. At extreme left is James E. Kenney, chairman of the economics department, LeMoyne College, and second from right is Thomas D. McMillen, American Lumbermen's Mutual Casualty Co., vice president of the Syracuse association and program chairman.

## Careers of Plenary Speakers At San Francisco Congress

(Concluded from page 28)

cultural Policy, also of the Commission on Foreign Economic Policy, the so-called Randall Commission, whose recent report to the President has stirred worldwide interest. Mr. Tapp will speak Wednesday morning.

"What Credit for Education?" is the intriguing topic of Dr. Sterling on Monday afternoon. Dr. Sterling, whose close interest is attested by his cooperation in the development of the Credit Research Foundation's Graduate School of Credit and Financial Management on the Stanford campus, holds doctorate degrees from six universities and colleges, is co-editor of many volumes in the Hoover Library series at Stanford and had coached football and basketball while teaching history at the University of Alberta. Before becoming the fifth president of Stanford he had taught there, and at the California Institute of Technology had been a radio news analyst, and was on the resident civilian faculty of the National War College in Washington.

### **The New Look at Chicago "U"**

New words and phrases like synchrocyclotron and, of course, controlled nuclear reaction are linked with the vision of Dr. Hutchins in the 22 years he was chief executive of the University of Chicago (and not because of his service as chairman of the board of editors of *Encyclopaedia Britannica*, Inc.). Equally wellknown were the innovations which Dr. Hutchins brought to the applied science of education (not to mention the dropping of football at the university of the famed Walter

Eckersall). It was in the Dr. Hutchins regime that Chicago "U" began admitting students into the College at the end of the sophomore year of high school, conferred the bachelor of arts degree after the college sophomore year, eliminated all specialized departmental courses, required three years for the master's degree for most students, opened the law school curriculum to study of politics, economics and psychology, developed cooperative research on problems ranging from cancer to international relations. It was on the Midway campus that the first controlled nuclear reaction was achieved, and three new research institutes were established. While Dr. Hutchins was dean of Yale's Law School the Institute of Human Relations had been organized.

"Is Business Evil?" is the subject of William Allen Patterson's address. Mr. Patterson, who received his elementary education in San Francisco, returned to the city of his birth to attend Honolulu Military Academy. Starting with the Wells Fargo Bank in San Francisco as an office boy, he attended night school for 13 years. As assistant to a vice president he was placed in charge of the account of Pacific Air Transport, a predecessor division of United Air Lines. In 1929 he resigned to become assistant to the president of the Boeing Airplane Company, Seattle. Four years later he was vice president of United Air Lines, and the following year president. Mr. Patterson, besides being a director of several companies and associations, is chairman of the business-education committee of the Committee for Economic Development.



# 30 Industry Groups Will Leaven Case Histories Into Food for Sturdier Management Policies

**R**ECOGNITION of the immense values of the open forum and panel discussion as ready-honed working tools of credit never was pinpointed more sharply than it is in the programs of the 30 Industry Groups who have now practically completed preparations for their great day, May 18th, at the 58th Credit Congress in San Francisco.

ROGER G. HAUSMAN, who was named general chairman of the Industry Meetings committee when Robert L. Allen was forced to withdraw because of the press of company business, is branch credit manager of the Rath Packing Company, San Francisco.



**ROGER G. HAUSMAN**  
General Chairman  
Industry Meetings Committee

with them when their sessions open.

Outstanding speakers will address luncheon meetings and joint sessions of Groups.

At the Automotive Group's luncheon, Brownie Carslake, divisional personnel manager, Firestone Tire & Rubber Company, Los Angeles, will be the speaker.

Dr. Weldon B. Gibson, director, department of economic research, Stanford Research Institute at Palo Alto, will discuss "Management Planning for Research" at a Bankers Group luncheon.

Bank and industrial credit in the buyer's market is the subject of Lawrence T. Knier, executive manager, Robert Morris Associates, before a joint gathering of executives in the hardware, iron and steel and paint and allied fields.

Developments in the moot subject of the credit manager's contribution to top management will be placed before several Groups by A. Sheridan Atkinson, financial consultant, McKinsey & Co., San Francisco.

At other luncheons Attorney D. W. Hone will discuss morality in business, and Robert Jackson, West Coast public relations manager for General Electric Company, will emphasize the human relations factors in successful operation. Among other luncheon speakers will be Paul Speegle, radio and television columnist of the *San Francisco News* and director of the radio department of San Francisco State College.

The Group programs completed to date follow, with subjects and speakers.

## Advertising Media

Tuesday: Welcome by Arthur A. Wendering, credit manager, Berkeley Gazette.

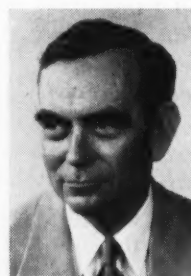
Subjects and speakers: "The Media Credit Executive Must Employ to Elevate His Group to Professional Standing", A. F. Gerecke, credit manager, St. Louis Post-Dispatch; "Tips on Conducting a Meeting of Your Sales Staff", "Foreign Trade" and "Training of Credit Department Personnel".

Panel and open forum: "Marginal Risks—Ways to Develop Them"; moderator, G. W. Sites, credit manager, The Times-Mirror Co., Los Angeles. Topics of other panels: "Agency Credit and Recognition Procedures", "Credit Investigations", and "Local Retail Problems and Solutions".

Wednesday morning panels and open discussions: "Radio and TV Credits and Collections": moderator, H. G. Fearnhead, general manager KYA, San Francisco; "Classified Transient—Credit Limits—Methods of Collection—Skips": moderator: M. W. Coffman, credit manager, Dayton Daily News-Journal Herald; "Collection Procedures": moderator, Clarence W. Pierson, credit manager, The Minneapolis Star and Tribune, Minneapolis, Minn.

Wednesday afternoon: informal discussion, "What Is Your Problem?"

Joint luncheon Tuesday with the Wearing Apparel and Footwear Industry. Speaker: Paul Speegle, radio and TV columnist, San Francisco News, also director of radio, San Francisco State College.



L. F. SULLIVAN



H. B. MAITLAND

## Automotive

Three formal talks, two panel discussions.

Addresses: "Insurance in Relation to Credit," S. D. Menist, assistant secretary, Fireman's Fund Indemnity Co., San Francisco; "How Do You Go About Securing Sufficient Information to Justify the Extension of Credit; How Our Association Can Help," H. J. Lamb, executive manager, Boston Credit Men's



**PUBLIC UTILITY GROUP, N.A.C.M., Planning Committee meets in Evansville (Ind.), the home base of Charles W. Kroener, its chairman, whose company is host, to complete details of the program to be presented at their industry session at the 58th annual Credit Congress in San Francisco. A previous meeting of the committee was held in Cincinnati, with the Cincinnati Gas & Electric Co. as host. Here are (l to r) Harold Kline, Detroit Edison Co., Detroit; F. A. Archer, Hydro Electric Power Co. of Ontario, Toronto; O. J. Vosbrink, Union Electric of Missouri, St. Louis; E. R. Johnston, West Penn Power Co., Pittsburgh; C. W. Kroener, Southern Indiana Gas & Electric Co., Evansville, chairman of the committee; Dave Robertson, Detroit Edison Co., Detroit; J. P. Davey, Quebec Hydro Electric Commission, Montreal; John Gibson, Michigan Consolidated Gas Co., Detroit; and L. E. Martin, Cleveland Illuminating Co., Cleveland.**

Association; "How Can We Help Small Business," R. H. Oddie, Bank of America, small business advisory counsellor, San Francisco.

Morning panel discussion. Moderator: S. Overstraeten, credit and office manager, International Parts Corp., Chicago. Topics and leaders: "Unsecured Credit—Importance of Said Lien Laws," Harvey Palmquist, credit manager, Lambert Co., Ltd., Los Angeles; "Development of Credit Personnel," Ellen Anderson, treasurer, Shields, Harper & Co., Oakland; "Suggested Methods for Relief of Temporarily Embarrassed Debtors," Mrs. Lorraine Alvigi, credit manager, Diamond T Motor Truck Co., San Francisco.

Industry luncheon speaker: Brownie Carslake, division personnel manager, Firestone Tire & Rubber Company, Los Angeles.

### Bankers

Morning session only.

Opening remarks by T. W. Johnson, Security First National Bank of Los Angeles, president of Robert Morris Associates. Report on the Robert Morris Associates by Executive Manager L. T. Knier.

Panel and open forum: "Training of Credit Department and Loan Personnel," "Section 13B Industrial Loans under the Federal Reserve Act," "Loan Supervision and Controls," "Collection Techniques in the Handling of Problem Loans."

Panel members: Royse Clayton, Bank of America, National Trust & Savings Association, Sacramento; R. L. Hock, Citizens National Trust & Savings Bank, Los Angeles; Alfred J. Mayman, Bank of California, N.A., San Francisco.

Industry luncheon guest speaker: Dr. W. B. Gibson, director, Department of Economic Research, Stanford Research Institute, Palo Alto, Calif. Subject: "Management Planning for Research."

Reception, 5:30 to 7 P.M.—University Club, San Francisco.

### Brewers, Distillers and Liquor Wholesalers

Three formal presentations in forenoon, panels and open forums in afternoon.

Speakers and subjects: "Economy and Control in the Liquor Industry," Sante Quattrin, executive secretary and legal counsel, Wholesale Liquor Distributors Association of Northern California, San Francisco; "General Economic Outlook for 1954-55," E. W. Wakefield, assistant vice president, Bank of America, San Francisco; "The Brewer Adjusts to Changing Credit Problems." Discussion after each presentation.

Afternoon panel and discussion: moderator: M. M. Johnson, Brown-Forman Distillers Corp., Louisville. Panel members: George H. Pape, Acme Breweries, San Francisco; Miss Dorothy Blank, Alfred Hart Distilleries, Inc., San Diego; E. A. Hesler, Jos. E. Seagram Distillers Corp., Chicago; George C. Hummel, Griesedieck Bros. Brewery Co., St. Louis.

Report on survey and discussion of these subjects: "Insurance in the Credit Field," "Is Credit Management Keeping a Sufficiently Stringent Check on Working Capital?," "When Not to Reject the Marginal Risk," "Are 1952-53 Credit Appraisals Realistic in 1954?," "Current Trends in the Industry Credit Regulations," "How to Make Credit Cooperation Easy for the Salesman," "Does the Alcoholic Beverage Field Face a 'Flight of Capital'?"

Joint luncheon with Chemical and Allied Lines, and the Drugs, Cosmetics and Pharmaceuticals Industries. Film: "Colorful California."

### Building Material and Construction

Forenoon address: "Operation Salvage and The Miller Act," J. H. Neiman, National Association of Credit Men (Central Iowa Unit), Des Moines.

Panel and open forum: Moderator Norvel Jones, E. J. Stanton & Sons, Los Angeles. Panel members: Owen Sorenson, San Jose Steel Co., San Jose; E. A. Graham, International Steel Co., Evansville, Ind.; N. L. Sheets, The Colorado Builders Supply Co., Denver. Subjects: "Selling Materials on Bonded Jobs," "Retentions and Withholds," "Bonds on Jobs, and What to Expect from Surety Companies," "Credit Outlook for 1954—(a) Declining Sales, (b) Increasing Business Failures."

Afternoon Session: Film and open forum. Leader: G. F. Ballard, Minnesota and Ontario Paper Co., Minneapolis. Subjects: "Have You Checked Your Files Lately?," "Are Special Terms the Answer to Increasing Sales?," "Interchange Information for Building Material Group," "Lien Laws vs. No Lien Laws." Audience participation on "What Is Your Problem," with the audience invited to present their problems for discussion.

Joint industry luncheon with Hardware Wholesalers, Hardware Manufacturers, Iron and Steel, Non-Ferrous and Related Industries, and the Paint, Varnish, Lacquer and Wallpaper Industry. Guest speaker: L. T. Knier, executive manager, Robert Morris Associates, on "Bank and Industrial Credit in the Buyer's Market."

### Cement

General discussion of current problems. Convenes at 10:30 A.M., and concludes with a Group luncheon.

### Chemical and Allied Lines

Panels and open forum discussions.

Moderator, forenoon panel: R. E. Johnson, B. F. Goodrich Chemical Co., Cleveland. Panel members: C. S. Hebdon, Rohm & Haas, Inc., Philadelphia; William Cairns, Bakelite Co., San Francisco; Brad Knight, Shell Chemical Corp., New York, N. Y.; W. H. Hawkins, E. I. duPont de Nemours & Co., Wilmington. Subjects: "Information to Se-



cure for Establishing Credit," "Setting and Controlling Credit Limits," "Survey of Financial and Operating Ratios—Danger Signals to Watch For," "Value of Membership in a Credit Group," "Method of Reducing Old Accounts While Selling Currently," "What Is Being Done to Handle the Increasing Number of Credit Inquiries?"

Afternoon panel and open forum. Moderator: Howard Gavigan, Dow Chemical Co., Pittsburg, Calif. Panel members: John Alexander, Monsanto Chemical Co., San Francisco; Elizabeth A. Daly, Harshaw Chemical Co., Cleveland; Joseph C. Lynch, Pacific Coast Borax Co., New York, N. Y. Subjects: "Credit Operations—Centralized vs. Decentralized," "West Coast Credit and Collection Practices and Policies," "Credit Manual for Sales Personnel," "Credit Policies in an Increasingly Competitive Market," "Present Trends in Collections and Losses," "Use and Value of Credit and Collection Data Compiled for Management," "Future of Credit Management."

Joint luncheon with Brewers, Distillers and Liquor Wholesalers, and Drugs, Cosmetics and Pharmaceuticals Industries. Film: "Colorful California."

### Confectionery Manufacturers

Morning session and Group luncheon with Food Products and Allied Lines Manufacturers.

"Your Money's Worth," flannel board presentation by personnel of Federal Reserve Bank of San Francisco.

Address: "The Retailer-Owned Cooperative Wholesaler," Campbell Stewart, president, Certified Grocers of California, Ltd., Los Angeles.

Discussion period following each presentation.

Talk: "Insurance in Relation to Credit."

Panel and open forum Discussion: Moderator, R. L. Allen, D. Ghirardelli Co., Inc., San Francisco. Panel members: A. C. Bowen, Walter Baker Chocolate & Cocoa Division, General Foods Corp., Dorchester, Mass.; Clarke L. Bare, Hershey Chocolate Corp., San Francisco; Neil Cashman, Leaf Brands, Inc., Chicago.

Subjects: "The Credit Man of the Future"; "Special Credit Department Problems"; "Increasing Credit Department Efficiency"; "The Future—What Can We Do in Our Industry to Prepare for It?"; "Constructive Credit Department Assistance to Customers"; "Are the Present Credit Policies of Our Industry Sound?"; "Setting Credit Limits



M. M. JOHNSON



W. C. WILLIAMS

—How and Why?"; "Salesmanship by the Credit Department."

General discussion: "What's Your Problem?"

### Drugs, Cosmetics and Pharmaceuticals

Panel and open forum discussion.

Forenoon panel: Moderator, W. A. Lange, Yahr-Lange, Inc., Milwaukee. Panel members: E. B. Young, Winthrop-Stearns, Inc., New York, N. Y.; R. C. Buttons, McKesson & Robbins, Inc., Fresno; E. J. Straube, Jr., Schering Corp., Bloomfield, N. J.; W. S. Love, Colgate-Palmolive Co., Berkeley.

Subjects: "Methods of Reducing Old Accounts While Selling Currently," "Setting Credit Limits—How and Why," "Terms of Sale—Methods of Enforcement—Terms Chiseling," "Special Credit Department Problems," "New Methods and Ideas on Credit Procedures," "Constructive Credit Department Assistance to Customers."

Afternoon panel: Moderator, R. G. Redmond, Brunswick Drug Co., Los Angeles. Panel members: L. J. Ashby, McKesson & Robbins, Inc., Los Angeles; D. R. Collins, E. R. Squibb & Sons, Brooklyn; Leo G. Ulch, J. & S. Distributing Co., Inc., Los Angeles; Harry O. Scheck, American Safety Razor Co., Brooklyn.

Subjects: "Our Credit Association—What We Want from It," "Credit Sales Department Cooperation," "The Credit Man of The Future," "Credit Outlook for 1954-55," "Creating Sales Volume through Constructive Credit Practices," "Your Credit Association—What You Can Expect from It," "Collecting Delinquent Accounts to Retain Goodwill and Business of Customers," "Increasing Credit Department Efficiency."

Joint luncheon with the Brewers, Distillers and Liquor Wholesalers and the Chemical and Allied Lines Industry. Film: "Colorful California."

### Electrical and Electronics Manufacturers

Morning session, five addresses:

"The National Association of Credit Men and Its Services," J. L. Vance, secretary-manager, Tri-State Credit Association, El Paso.

"Credit Reporting," W. J. Wissel, secretary-manager, Grand Rapids (Mich.), Association of Credit Men.

"Recent Credit Department Changes Made to Improve Efficiency and Effectiveness," Ray Mattson, Belden Manufacturing Co., Chicago.

"Credit Department Reports to Top

Management," K. L. Fruen, General Mills, Inc., Mechanical Division, Minneapolis.

"When and How to Continue Selling a Customer Who Is Past Due," C. P. Fletcher, Acme Steel Co., Los Angeles.

Afternoon session.

Address: F. R. Dansby, Union Bank and Trust Co., Los Angeles, on "The Bank Analyzes the Customer's Credit."

Panel and open forum: "Distributor-Manufacturer Credit Relations." Moderator: P. J. Wilder, Century Electric Co., St. Louis. Panel members: For manufacturers—R. E. Clark, Joslyn Manufacturing & Supply Co., Chicago; E. M. Kroening, Allen-Bradley Co., Milwaukee; R. W. Penman, Westinghouse Electric Corp., Los Angeles. For distributors—C. C. Smoot, Kaemper & Barrett, San Francisco; C. W. Edwards, Incandescent Supply Co., San Francisco; F. E. Judd, Radio Product Sales, Los Angeles.

Joint luncheon with Electrical and Radio Wholesalers, Floor Covering and Furniture Industry, and Photographic Manufacturers and Distributors. Speaker: A. S. Atkinson, financial consultant, McKinsey & Co., San Francisco, on "The Credit Manager's Contribution to Top Management."

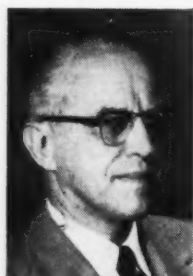
### Electrical and Radio Wholesalers

Forenoon session addresses: "Easy Credit—Tough Collections," M. J. Ulmer, credit manager, Hoffman Sales Co., San Francisco; "Your Association—What You Can Expect from It," J. F. Schofield, secretary-manager, St. Louis Association of Credit Men; "Financial and Management Problems of Radio and Electrical Wholesalers," Lloyd Mazzera, vice president, Bank of America, San Francisco.

Afternoon speeches: "How We Can Help Small Businesses," F. D. Lamb, district credit manager, Westinghouse Electric Supply Co., San Francisco; "A Protective Insurance Plan for Our Dealers," James H. Wells, Manager, American Surety Co., San Francisco.

Open forum conducted by members of the Industry Meeting Committee: R. D. Ferguson, R. Cooper, Jr., Inc., Chicago; R. L. Henry, Gough Industries, Inc., Los Angeles; F. C. Karth, Appliance Distributors, Inc., Chicago; S. J. Stallings, Westinghouse Electric Supply Co., Seattle; P. F. Wilber, Zenith Radio Distributing Corp., Chicago.

Subjects: "Use of Job Accounts in Handling Sales to Contractors," "Methods of Reducing Old Accounts While



D. B. SHAW



F. V. HODGDON



E. R. SMELSER



DON HOPKINS





A. H. SMALLFIELD



J. C. WIESNER

Currently Selling," "Setting Credit Limits—How and Why," "Terms of Sale—Methods of Enforcement—Terms Chiseling," "Where Do We Put 'Moral Responsibility' in the Balance Sheet?"

Joint luncheon with Electrical and Electronics Manufacturers, Floor Coverings and Furniture Industry, and Photographic Manufacturers and Distributors. Speaker: A. S. Atkinson, financial consultant, McKinsey & Co., San Francisco, on "The Credit Manager's Contribution to Top Management."

### Feed, Seed and Agricultural Suppliers

One formal presentation "Agricultural Outlook Creditwise under the Benson Administration", and two panel periods.

Forenoon panel and open forum: "Secured Financing"; for the credit man, J. E. Ledbetter, Northrup, King & Co., Minneapolis; and a speaker for the banker's viewpoint. Moderator: B. F. Reinking, General Mills, Inc., Minneapolis. H. S. Dodge, Niagara Chemical Division, Richmond, Calif., will be the agricultural chemicals representative among four panel members.

Afternoon panels moderator: C. Howard Stokes, Quaker Oats Co., Los Angeles. Subjects: "Acceptance and Control of Marginal Accounts", "Pros and Cons of Salesman Collections", "How Important Is the Small Operator?", "Credit Manager's Importance in Customer Relations", "How Can We Help the Small Business Man?", "Value of Personal Calls on Large Customers", "Should Interest Be Charged on Overdue Accounts?", "Should We Act as Bankers for Certain Accounts?", "Is Credit Insurance Worth the Premium?", "What about Selling Large Consumer-Users?", "Do Monthly Area Group Meetings Have Real Value?", "How Can We Strengthen the Annual Industry Session?"

Joint luncheon with Paper Products and Converters Group.

### Floor Coverings and Furniture

Speakers and subjects: "How Can We Help Small Business," O. W. Frieberg, assistant vice president, The American Trust Company of San Francisco; "How Can Creditors Help Embarrassed Debtors," Walter Hempy, secretary and executive manager, The Board of Trade of San Francisco; "The Credit Outlook for 1954-55," Dorsey Caldwell, O'Keefe & Merritt Stove Co., Los Angeles. Discus-

sion after each presentation. Session concludes with remarks by A. G. Potter, secretary-manager, Chicago Association of Credit Men.

Panel and open forum: Moderator, Vice Chairman U. C. Meek, Douglas Furniture Corp., Chicago. Panel members: E. R. Gottfredsen, Simmons Co., San Francisco; Geo. M. Hillman, Olive & Myers Manufacturing Co., Dallas; H. Sauer, Ohio Plate Glass Co., Toledo.

Subjects: "Terms of Sale—Methods of Endorsement—Discount Abuses and How Treated," "Credit Controls—Methods Used—How Controlled in Branch Operations," "What Information Do You Obtain on Opening a New Account?—Handling Orders on New Accounts," "Can Salesmen Be Used Successfully in Collecting Accounts?", "Methods of Reducing Old Debts While Selling Currently," "Credit Controls through Group Activities—Monthly Group Meetings," "How Do You Handle Checks N.S.F.?" "What Is Your Problem?"

Joint luncheon with Electrical and Electronics Manufacturers, Electrical and Radio Wholesalers and Photographic Manufacturers and Distributors. Speaker: A. S. Atkinson, financial consultant, McKinsey & Co., San Francisco, on "The Credit Manager's Contribution to Top Management."

### Food Products and Allied Lines Manufacturers

Joint morning session and luncheon with Confectionery Manufacturers.

"Your Money's Worth"—flannel board presentation by personnel of Federal Reserve Bank of San Francisco.

Address: "The Retailer-Owned Cooperative Wholesaler," Campbell Stewart, president, Certified Grocers of California, Ltd., Los Angeles.

Discussion period following each presentation.

Afternoon session: three formal talks and panel and open forum.

Speakers and subjects: "Credit Department Relations with Top Management," William Dunn, general credit manager, General Foods Corp., White Plains, N.Y.; "Know Your Association," A. D. Johnson, executive vice president, Credit Managers Association of Southern California, Los Angeles; "Behind the Insolvency Scene," M. J. Davis, executive vice president, New York Credit and Financial Management Association, New York, N. Y. General discussion.

Panel and open forum: "Information Please."



S. L. WRIGHT



W. R. HAAVIND



P. E. GEISS



F. H. JONES

### Food Products Wholesalers

Four formal presentations, two open forum discussion periods.

Addresses: "Your Credit Association and What You Can Expect From It," A. H. Dunlop, National Association of Credit Men (North Florida Unit), Jacksonville; "Salesmen As Collectors," Warren R. Tyler, treasurer, W. H. Bintz Co., Salt Lake City; discussion led by Reno Nalducci, Best Foods, Inc., San Francisco; "Terms of Sale Used by Various Wholesalers—Have They Been Restricted in Past Year or So—Methods of Enforcement and What to Do about Chiseling," A. J. Fonner, Jr., J. A. Folger & Co., Los Angeles; discussion led by W. Don Eck, Paxton & Gallagher, Omaha; "Are the Present Credit Policies in Our Industry Sound?", C. W. Adams, Jr., credit manager, Lever Brothers Co., Los Angeles.

Open forums: Leader: R. N. Brickett, Maxwell House Division, General Foods Corp., Chicago, on "What Are We in the Credit Department Doing to Better Our Relationship with Management?", "Bad Checks—What Do You Do About Them?", "Methods of Reducing Old Accounts While Selling Currently?". Leader: Donald R. Sharp, Mason Ehrman & Co., Portland, Ore., on "Economic Problems Peculiar to Our Industry," "The Future—What Can We Do in Our Industry to Prepare for It?"

Joint luncheon with Meat Packers Group.

### Hardware Manufacturers

Three formal talks: "Know Your Association," A. D. Johnson, executive vice president, Credit Managers Association of Southern California, Los Angeles; "Behind the Insolvency Scene," M. J. Davis, executive vice president, New York Credit & Financial Management Association, and secretary-treasurer, New York Credit Men's Adjustment Bureau; "Credit Conditions Outlook for the Hardware Industry," B. F. Edwards, Jr., vice president, Bank of America, loan supervision department, San Francisco. Discussion periods.

Forenoon panel discussion: "Collection Problems." Moderator: William Bready, Schlage Lock Co., San Francisco. Panel members: G. M. Layne, Mid-States Steel & Wire Co., Crawfordsville, Ind.; M. J. Barber, Tinnerman Products, Inc., Cleveland; J. C. Folliard, Sloss & Brittain, San Francisco.

Subjects: "Form Letters vs. Dictated

Letters," "Holding Orders and Production," "Personal Visits to Customers," "Other Collection Media—Drafts, Collection Agencies, etc.," "Unearned Discounts," "Unauthorized Returns," "Unauthorized Deductions—Freight, Parcel Post Charges, etc.," "Post Dated Checks."

Afternoon panel: "Credit Clinic." Moderator: C. F. Ensign, The Cleveland Twist Drill Co. Panel members: J. F. Madden, Nicholson File Co., Providence, R. I.; R. B. Payne, National Screw & Manufacturing Co., Cleveland; H. C. Cogan, Parker Appliance Co., Cleveland.

Subjects: "Credit Limits—Are They Largely Guesswork, or May They Be Calculated in Accordance with a Set Formula?," "How to Approach New Customers Just Starting in Business, and How to Obtain Necessary Information to Open Credit Account," "Withholding or Deferring Credit," "How to Handle the Customer with a Weak Credit Position Who Resents Discussing the Subject but Still Requests Open Account," "Collecting Delinquent Accounts While Retaining Customer Goodwill."

Joint luncheon with Building Materials and Construction Industry, Hardware Wholesalers, Iron and Steel, Non-Ferrous and Related Industries, and Paint, Varnish, Lacquer and Wallpaper Industry. Speaker: L. T. Knier, executive manager, Robert Morris Associates, on "Bank and Industrial Credit in the Buyer's Market."

### Hardware Wholesalers

Welcome by Chairman P. E. Geiss, assistant secretary-treasurer, The Thomson-Diggs Company, Sacramento.

Forenoon talks: "Know Your Association," J. N. Ham, secretary-manager, Kansas City Wholesale Credit Association; "Insurance," E. W. Setty, H. D. Hudson Manufacturing Co., Chicago.

Open forum leader: John C. Folliard, secretary-treasurer, Sloss & Brittain, San Francisco. Subjects: "Terms of Sale—Methods of Enforcement—Terms Chiseling," "Controlling Dollar Volume Accounts," "Taxes As They Affect Our Customers."

Afternoon addresses: "Shop Talk," J. H. Reese, Salt Lake Hardware Co.; "Human Relations, Credit Field, Saying No Gracefully," J. C. Acuff, general credit manager, Butler Manufacturing Co., Kansas City; "Collections with Finesse," R. M. Murchison, California Hardware Co., Los Angeles.

Open forum leader: O. H. Berryman, John Pritzlaff Hardware Co., Wauwatosa, Wis. Subjects: "The Future Tax Outlook," "Methods of Reducing Old Accounts While Selling Currently," "Economic Problems Peculiar to Our Industry."

Joint luncheon with Building Material and Construction Industry, Hardware Manufacturers, Iron and Steel, Non-Ferrous Metals and Related Lines, and Paint, Varnish, Lacquer & Wallpaper Industry. Speaker: Lawrence T. Knier, executive manager, Robert Morris Associates, on "Bank and Industrial Credit in the Buyer's Market."



R. G. ROEMER



W. N. CLYATT

### Insurance

Morning session, 10:30. Business meeting and review of activities of the past year. Report of subcommittee.

Joint Group luncheon at noon.

Afternoon at 2. Discussion of insurance in relation to credit and planning of activities of the Insurance Advisory Council for the next year in cooperation with the national and local associations.

### Iron and Steel, Non-Ferrous Metals and Related Lines

Address: "Credit's Contribution to Management", J. G. Neukom, partner in McKinsey & Company, national management consultants.

Forenoon panel on "Metal Distributor's Credit Problems". Moderator: C. L. Hamman, Stanford Research Institute. Members: G. R. Winter, A. M. Castle Co., Chicago; H. W. Heyden, Chase Brass & Copper Co., Waterbury, Conn.; R. A. Spear, J. T. Ryerson & Son, Inc., Emeryville, Calif.; J. W. Fitzpatrick, O'Neal Steel Co., Birmingham.

Afternoon panel on "Metal Manufacturer's Credit Problems". Moderator: P. R. Gross, U. S. Steel Corp., Chicago. Members: O. B. Tearney, Inland Steel Co., Chicago; J. H. Donovan, Jones & Laughlin Steel Co., Pittsburgh; T. R. Aurelius, Colorado Fuel & Iron Co., Denver; G. B. Kay, Federated Metals Division, American Smelting & Refining Co., Whiting, Ind.

Joint luncheon with Building Material and Construction Industry, Hardware Manufacturers, Hardware Wholesalers, and Paint, Varnish, Lacquer and Wallpaper Industry Groups. Speaker: L. T. Knier, executive manager, Robert Morris Associates, on "Bank and Industrial Credit in the Buyer's Market".

### Machinery and Supplies

Addresses: W. G. Risdon, assistant manager, Fidelity & Deposit Company of Maryland, San Francisco, on "Insurance as a Factor in Credit Appraisal"; H. S. Garness, secretary-manager, Mil-



T. E. OLSON



R. L. NEWBERN

waukee Association of Credit Men, on "Know Your Association". Discussion after each.

Forenoon panel subjects: "Pros and Cons of Charging Interest on Past Due Accounts"; "Cash Discounts—How to Handle Unearned or Unallowed Discount by Industrial Consumers" (i.e., not dealers with manufacturers); "Credit Systems: Centralized vs. Decentralized for Branch Warehouse or Manufacturing Division that Ships Direct to Customer".

Afternoon panels: "How Are You Meeting Today's Demand for Time Payment Plans?," "Have Manufacturers 'Pinched' Their Dealer Discounts until Credit Problems Are Resulting?," "What Is a Basis for Control of New Accounts that Have Just Started in Business?," "How to Make It Easy for Salesmen to Secure Credit Approval for New Accounts", "Conditional Sales—How They Can Be Used to Best Advantage".

Open forum for specific problems of members present.

Industry luncheon at 12:30 p.m.

### Meat Packers

Two formal presentations and open forums.

Speakers: J. B. Gilbert, general sales manager, Zellerbach Paper Co., San Francisco, on "Sales vs. Credit"; M. Rollie Jones, director, adult education, University of San Francisco, on "The Human Element in Credits".

Forenoon open forum: "Personal Calls on Large Accounts"; "Good Accounts, But Always Behind—What to Do?"; "How to Control Limits?". Discussion leader: R. A. Carrier, assistant treasurer, Agar Packing & Provision Co., Chicago.

Afternoon round table: C. C. Rickhoff, Rath Packing Co., Waterloo, Iowa; Dave Fiedler, Oscar Mayer & Co., Vernon, Calif.; Roy Callahan, Rutherford Food Corp., Kansas City, Mo. Topics: "Planned Training and Selection of Credit Men", "Terms of Sale—Methods of Enforcement—Terms Chiseling", "Sales Department and Credit Department Cooperation", "Ethics and Policies in Credit Management".

Joint luncheon with Food Products Wholesalers Industry.

### Oil Field Services and Supplies

Opening address: "The Relationship between the Supplier and Service Organization and the Oil Company," J. E. Toussaint, vice president, Standard Oil Company of California, Los Angeles. Discussion.

Panel and open forum on credit problems. Moderator: W. L. Holmes, Schlumberger Well Surveying Corp., Houston.

Subjects: "Fixing Responsibility on the Out-of-State Investor," discussion led by Miss Olive E. Wynn, The Chemical Process Co., Breckenridge, Texas; "Educating The Oil Operator to Submit Financial Statements," W. M. Cooney, Baker Oil Tools, Inc., Houston; "Se-



cured and Unsecured Credits," W. R. Clardy, Youngstown Steel Products Company of California, Los Angeles.

Afternoon panel and open forum on formulation of plans for an oil field division in and for the Mid-Continent area. Moderator: Clint Roberts, Halliburton Oil Well Cementing Co., Duncan, Okla. A committee will complete the plans discussed.

Subjects: "Need for the Group": Discussion leader: J. B. Mensing, National Supply Co., Pittsburgh; "Success of the Oil Field Division in California," E. S. Karlow, National Supply Co., Torrance, Calif.; "What the National Association Can Do To Help," W. D. Kelsey, Houston Association of Credit Men.

Round table on general problems: Moderator: L. E. Hogsett, Alexson Manufacturing Co., Division of Pressed Steel Car Company, Inc., Los Angeles.

Subjects: "Methods of Collection": leader: J. B. Orme, Emsco Manufacturing Co., Los Angeles; "Customer Relations," K. H. Root, Ford Alexander Corp., Whittier, Calif.; "Legal Viewpoints," A. D. Schmuki, Superior Tank & Construction Co., Los Angeles.

Joint luncheon with Petroleum Industry. Speaker: D. W. Hone, attorney, San Francisco, on "Are Morality and Business Inconsistent?"

## Paint, Varnish, Lacquer and Wallpaper

Three formal presentations and panel and open forum.

Speakers and subjects: "What Government Financial Aid Is Available to Small Business Firms?", H. F. Potter, regional director, Region No. 2, Small Business Administration, San Francisco, and Carl Andresen, financial specialist, S.B.A.; "Try It without Money and Credit," R. H. Bolman, vice president, Oakland Bank of Commerce; "What the Sales Department Has a Right to Expect of the Credit Department," G. E. Runyan, manager distributor sales, Crown Zellerbach Corp., San Francisco. Discussions.

Afternoon panel and open forum. Moderator: Jess Bell, W. P. Fuller & Co., Oakland. Panel members: Jack Robinson, Frank W. Dunne Co., Oakland; Ed Meyer, Sherwin-Williams Co., Emeryville, Calif.; Jack Hatcher, General Paint Corp., San Francisco.

Subjects: "Unearned Discounts," "Interest on Past Due Accounts," "Retentions," "Financial Statements from Small Painters," "Set Credit Limits."

Joint luncheon with Building Material and Construction Industry, Hardware Manufacturers, Hardware Wholesalers, and Iron and Steel, Non-ferrous Metals and Related Industries. Speaker: L. T. Knier, executive manager, Robert Morris Associates, on "Bank and Industrial Credit in the Buyer's Market."

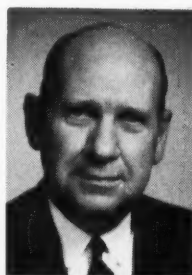
## Paper Products and Converters and Fine Paper

Morning panel: "How Can Credit Play on the Sales Team?" Representing sales managers: Gar Morse, director, Pacific Coast Sales, Sylvania Electric Products, Inc., San Francisco; S. F.

Leigh, general sales manager, Container Corp., Chicago; R. R. Whitman, general sales manager, Blake, Moffitt & Towne, San Francisco. Representing credit men: E. P. Cohan, Blake, Moffitt & Towne, San Francisco; Max W. Mallin, Milprint, Inc., Milwaukee.

Afternoon panel: "Top Management's Expectation and Recognition of Credit Management". Moderator: Melvin M. Nield, Marathon Corp., Menasha, Wis. Representing management: H. R. Lange, vice president and treasurer, Cutter Laboratories, Berkeley; E. A. Breyman, senior vice president, Zellerbach Paper Co., San Francisco. Representing credit: Elmo Trimble, Wilson Paper Co., Los Angeles; A. R. Johnson, Container Corporation of America, Chicago.

Addresses: "When a Banker Says No



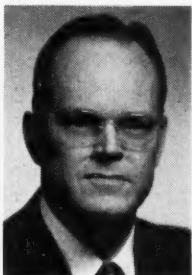
R. M. COTNER



MARY F. RADFORD



H. M. BARRENTINE



LYOYD KAHRS

—and Why?", L. T. Bartman, assistant vice president, Crocker First National Bank, Oakland; "Your Information", R. C. Creviston, secretary-manager, Northern Wisconsin-Michigan Association of Credit Men, Green Bay, Wis.

Joint luncheon with Feed, Seed and Agricultural Suppliers.

## Petroleum

Presiding at morning session: H. M. Barrentine, Skelly Oil Co., Kansas City, Mo., president, American Petroleum Credit Association; afternoon, Western Vice President, J. P. McLaughlin, Richfield Oil Corp., Los Angeles.

Five formal presentations. Subjects and speakers: "Truck and Transport Deliveries — Clipper Deliveries — Night Deliveries," R. D. Roberts, Union Oil Co., Los Angeles; "Agricultural Accounts," L. T. Ritzel, Shell Oil Co., Minneapolis; "Training and Development of Credit Personnel," J. Allen Walker, Standard Oil Company of California, San Francisco; "Processing Credit Cards without the Benefit of Credit Reports," R. W. Weiler, The Texas Co., New York, N. Y.; "Fraud Cases—Credit Cards," Mr. Barrentine, Skelly Oil Co. Discussions.

Afternoon open forum: Leader: A. A. Hock, Tide Water Associated Oil Co.,

San Francisco. Subjects: "Credit Authority to Company Bulk Plant Managers, Consignment Distributors, and/or Commission Agents," "Violations of Credit Instructions by Company Bulk Plant Managers, Consignment Distributors, and/or Commission Agents—Penalties Therefor—Mechanics of Handling," "Attorney Collection Costs," "Necessity of Customer Monthly Statements—Wholesale Accounts," "Emergency Credit Cards Available to Company Bulk Plant Managers, Consignment Distributors, and/or Commission Agents, for Release in Deserving Cases," "Automatic Conversion of Quarterly or Other Short Term Credit Cards to Annual Credit Cards," "Service Station Credit on T.B.A. to Non-Holders of Credit Cards," "Credit Report Costs."

Joint luncheon with Oil Field Services and Supplies Industry. Speaker: D. W. Hone, attorney, San Francisco, on "Are Morality and Business Inconsistent?"

## Photographic Manufacturers and Distributors

Welcome by W. L. Haney, Chicago Association of Credit Men.

Three formal presentations: "Are You Investing or Spending Your Time?", R. L. Galloway, Eastman Kodak Co., Rochester, N. Y.; "An Investment in the Small Businessman," Richard M. Oddie, director, small business advisory service, Bank of America, San Francisco; "Adding to Our Own Resources," William Dickson, Credit Research Foundation, New York, N. Y. Discussions.

Open forum: "Making My Investment Pay." Leader: Kirk Fisher, Argus Cameras, Inc.

Summary and discussion.

Presiding at morning session: Chairman: Mrs. M. F. Radford, Busch Camera Corp., Chicago. Afternoon: G. T. Ryerson, T. H. Wilton Co., San Francisco, vice chairman.

Joint luncheon with Electrical and Electronics Manufacturers, Electrical and Radio Wholesalers, and the Floor Coverings and Furniture Industry. Speaker: A. S. Atkinson, financial consultant, McKinsey & Co., San Francisco, on "The Credit Manager's Contribution to Top Management."

## Plumbing, Heating, Refrigeration and Air Conditioning

Address: "Selling the Sub-Contractor on a Job Protection Basis," T. E. Davis, attorney, San Francisco, formerly chief claims adjuster, Fidelity & Deposit Company of Maryland. Discussion.

Open forum: Leader: Thomas Joyce, Waterman Waterbury Co., Minneapolis. Subjects: "How Serious Is the 'Unearned Discount' Problem, and How Can It Be Solved?", "Is the Charging of Interest an Aid to Collections?", "Credit - Sales Department Cooperation," "Terms of Sale—Methods of Enforcement—Terms Chiseling."

Talks: "Your Credit Association—What You Can Expect from It," C. C. Crews, secretary-manager, Southwest Texas Wholesale Credit Men's Associa-





**NEWLY-FORMED National Paper Industry Credit Group, for Eastern manufacturers of paper and allied products, has these charter members: (1 to r standing) Edward J. Scheib, Constellation Cup Corp.; Herbert Dorbandt, Herz Manufacturing Corp.; Joseph T. Schilling, American Paper Goods Co., Inc.; William W. McAdam, group secretary, New York Credit Interchange Bureau; James E. Daly, Keyes Fibre Sales Corp.; Milton Prager, Trinity Bag & Paper Co., Inc.; James W. Sattazahn, Scott Paper Co. (Seated): Mrs. V. S. Fischer, Paper Container Div., Continental Can Co.; John Wallace, Lily Tulip Cup Corp.; M. A. Sewell, Crown Zellerbach Corp.; chairman Charles F. Woolley, Marcalus Mfg. Co.; vice chairman Virginia Starke, Union Bag & Paper Corp.; John H. Maass, Hudson Pulp & Paper Corp.; and William E. Rooney, Personal Products Corp.**

tion, Inc., San Antonio; "President Eisenhower's Blueprint for Housing and Home Financing," W. A. Marcus, senior vice president, American Trust Co., San Francisco, and member of President Eisenhower's housing committee. Discussions.

Panel and open forum: Moderator: L. J. Kahrs, Dallman Co., San Francisco. Panel members: A. R. Dahms, A. O. Smith Corp., Kankakee, Ill.; R. O. Bair, York Corp., St. Louis; Ray Douglas, Heieck & Moran, San Francisco; E. D. Brogdon, Sloan Vale Co., Chicago; A. G. Loeffler, Universal-Rundle Corp., New Castle, Pa.; L. Grinnell, Grinnell Company of the Pacific, San Francisco.

Industry luncheon at 12:30.

### Public Utilities

Afternoon session, Monday, May 17, convening at 2:30, and all-day session Tuesday.

Welcome: K. C. Christensen, treasurer, Pacific Gas & Electric Co., San Francisco.

Formal addresses: "Utility Notices of All Types and Their Purposes," J. P. Davey, Quebec Hydro Electric Commission, Montreal; "Self Improvement Hints for Utility Credit Men," Charles Davies, credit manager, San Diego Gas & Electric Co.

Tuesday morning: Addresses: "Current Economic Factors," T. C. Hossfeld, manager of investments department, Firemen's Fund Insurance Co., San Francisco; "Merchandise Credit Granting," Albert J. Clark, credit sales manager, The Emporium, San Francisco.

Afternoon: Problem clinic. Moderator: E. C. Paxton, Dallas Power & Light Co. Panel members and subjects: "Effects of Discounts or Penalties in Prompt Payment of Bills," F. E. Archer, Hydro Electric Power Commission, Toronto; "What the Customer Thinks of Our Collection Activities," Fred Flom, The Detroit Edison Co.; "Training Programs for the Credit and Collection Employees," A. E. Press, Utah Power & Light Co., Salt Lake City; "Collection of Off-Service Accounts," E. Beattie, Southern Cali-

fornia Gas Co., Los Angeles; "Recent Changes in Methods and Procedures in Various Utilities," John Gibson, The Michigan Consolidated Gas Co., Detroit. Reports available at opening of problem clinic. Question and Answer Period.

Industry luncheon at 12:30. Speaker: Robert Jackson, West Coast public relations manager, General Electric Co., San Francisco, on "Human Relations in Business."

### Textile

Morning session only, concluding with luncheon at 12:30, with guest speaker Alfred Gitelson, attorney, Gitelson, Ashton, Hagenbaugh & Murphy, Los Angeles. Subject: "Common Law Differences in the East and West."

Four formal talks, concluding with open forum period. Moderator: Chairman Milton Oser, treasurer, Canadian Factors Corp. Ltd., Montreal.

Speakers and subjects: "Credit Problems in California," S. I. Simons, California Fabric Co., Los Angeles; "Loan Problems in the West Coast Garment Industry," Frank Daniels, vice president, Bank of America, San Francisco; "Ac-

counting Problems in the West Coast Garment Industry," Joseph J. McGuigan, C.P.A., Shankin & McGuigan, Los Angeles; "Bank Financing in the Garment Industry," Alfred G. Cinelli, vice president, Pacific National Bank, San Francisco.

### Wearing Apparel and Footwear

A formal presentation at each session, followed by panel discussion. Luncheon with Advertising Media Group.

Addresses: "New Approach to Human Relations in Credit," Rollie Jones, director, adult education, University of San Francisco; "Credit Outlook for 1954," Frank Caldwell, general manager, Retailer's Credit Association, San Francisco.

Morning panel topics: "Constructive Credit Department Assistance to Customers," "Methods of Reducing Old Accounts While Currently Selling," "Credit Problems in General—Shop Talk."

Moderator: F. H. Schellentrager, Menswear Factors, Inc., Los Angeles. Panel members: O. S. Wilson, Skaggs-Stone Co., Inc., Oakland; H. E. McManigal, Summers Manufacturing Co., Los Angeles; Preston Durfee, Menswear Factors, Inc., Los Angeles.

Afternoon panel: "Setting Credit Limits—How and Why?," "Methods of Handling Customers with Limited Operating Capital and Potentialities of Increased Sales Volume," "Policy Regarding Cash Discounts and Enforcement." Moderator: Mario Armijo, Levi Strauss Co., San Francisco. Panel members: Fred Augustiny, H. W. Gossard Co., San Francisco; C. K. Madsen, Eloesser-Heynemann Co., San Francisco; F. H. Schellentrager, Menswear Factors, Inc., Los Angeles.

Joint luncheon with Advertising Media Industry. Speaker: Paul Speegle, radio and T.V. columnist, San Francisco News, and director of radio, San Francisco State College.

## Commercial Code Seminar

*A seminar on the new Uniform Commercial Code, which goes into effect July 1st in the State of Pennsylvania, was held by The Credit Association of Western Pennsylvania for 100 enrolled members. Ivan L. Hillman, assistant treasurer and general credit manager, Dravo Corporation, Pittsburgh, was instructor and moderator.*

*In response to numerous requests from members who were unable to attend the seminar, the Pennsylvania association has arranged to make the textbook and lecture notes available to its members and to those in other associations.*



# Credit Interchange Bureaus

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of the NATIONAL ASSOCIATION  
of CREDIT MEN

Report on

CORPORATION

MICHIGAN APRIL 6, 1954  
COUNTY

The accuracy of this Report is not guaranteed. Its contents are gathered in good faith from members and sent to you by this Bureau without liability for negligence in procuring, collecting, communicating or failing to communicate the information so gathered.

| BUSINESS<br>CLASSIFICATION                                   | HOW LONG<br>SOLD | DATE OF<br>LAST SALE | HIGHEST<br>RECENT<br>CREDIT | NOW OWING<br>INCLUDING NOTES | PART DUE | TERMS<br>OF SALE | PAYING RECORD  |                  |           | COMMENTS      |
|--|------------------|----------------------|-----------------------------|------------------------------|----------|------------------|----------------|------------------|-----------|---------------|
|  |                  |                      |                             |                              |          |                  | DIS-<br>COUNTS | PAYE<br>When Due | DAYS SLOW |               |
| GRAND RAPIDS<br>318-50<br>Elec                               | yrs              | 3-54                 | 878                         | 219                          |          | 2-10-30          | x              |                  |           |               |
| DETROIT<br>319-204<br>Elec<br>Ind S<br>Elec<br>Ind S<br>Fuel | 8-53             | 8-53                 | 597                         |                              |          | 2-10-30          | x              |                  |           | One sale only |
|  | 1945             | 2-54                 | 187                         |                              |          | 1-10-30          | x              |                  |           |               |
|  | 6-23             | 3-54                 | 473                         | 161                          |          | 2-10-30          |                | x                |           |               |
|  | 8-52             | 3-54                 | 210                         |                              |          |                  |                |                  |           |               |
|  | 1946             | 3-54                 |                             |                              |          |                  |                |                  |           |               |

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| CLEVELAND<br>319-423<br>I & S | yrs  | 2-54 | 8678 |     |  | 1-10-30 | x |   |  |                       |
| NEW YORK-PHILADELPHIA         |      |      |      |     |  |         |   |   |  |                       |
| 319-1106<br>Mchy              | 3-51 | 1-54 | 1768 |     |  | various | x | x |  |                       |
| WHEELING                      |      |      |      |     |  |         |   |   |  |                       |
| 319-114<br>I & S              | yrs  | 2-54 |      |     |  | COD     |   |   |  | No request for credit |
| BALTIMORE                     |      |      |      |     |  |         |   |   |  |                       |
| 319-436<br>Hdwe               | yrs  | 3-54 | 218  | 277 |  | 1-10-30 | x |   |  |                       |
| PEORIA                        |      |      |      |     |  |         |   |   |  |                       |
| 319-29<br>Ind S               | yrs  | 3-54 | 1085 | 963 |  | 2-10-30 | x |   |  |                       |
| Bu 25 js                      |      |      |      |     |  |         |   |   |  |                       |

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## CALENDAR OF EVENTS IMPORTANT TO CREDIT

### SAN FRANCISCO, CALIFORNIA

May 13-14-15

N.A.C.M. Secretary-Managers (National) Conference



### SAN FRANCISCO, CALIFORNIA

May 16-20

58th Annual Credit Conference and Convention, National Association of Credit Men



### STANFORD, CALIFORNIA

July 4-17

Stanford University Session of the N.A.C.M. Graduate School of Credit and Financial Management



### HANOVER, NEW HAMPSHIRE

August 1-14

Dartmouth College Session of the N.A.C.M. Graduate School of Credit and Financial Management



### ST. PAUL, MINNESOTA

September 17-18

Annual North Central Credit Conference, covering Minnesota, North and South Dakota



### SAN DIEGO, CALIFORNIA

September 27-28-29

Annual Pacific Southwest Credit Conference.



### HARRIMAN, NEW YORK

September 27-28-29

Research Foundation Credit Workshop



### CHICAGO, ILLINOIS

October 13

Illinois Fall Regional Conference



### SIoux CITY, IOWA

October 13-14-15

Tri-State Credit Conference, comprising Iowa, Nebraska and South Dakota



### PHILADELPHIA, PENNSYLVANIA

October 14-15-16

Tri-State Credit Conference, comprising New Jersey, New York, Eastern Pennsylvania, District of Columbia, Maryland and Virginia

### NASHVILLE, TENNESSEE

October 20-21-22-23

Annual Southeastern Credit Conference, covering Tennessee, Mississippi, Alabama, Georgia, Florida, South Carolina and North Carolina, Louisiana.



### ST. JOSEPH, MISSOURI

October 20-21-22

Quad-State Annual Credit Conference, comprising Missouri, Kansas, Oklahoma and Southern Illinois



### SAN ANTONIO, TEXAS

October 21-22-23

Annual Southwest Credit Conference, covering Texas, Louisiana, Arkansas, Oklahoma, New Mexico and Arizona.



### DES MOINES, IOWA

October 23-24

Mid-West Credit Women's Conference



### BOSTON, MASSACHUSETTS

October 27-28

Annual New England District Credit Conference, covering Connecticut, Rhode Island, Massachusetts, Maine, New Hampshire, Vermont



### COLUMBUS, OHIO

October 29-30

Ohio Valley Regional Credit Conference, covering Ohio, Western Pennsylvania, West Virginia, Kentucky and Eastern Michigan.



### KANSAS CITY, MISSOURI

November 14-15-16

American Petroleum Credit Conference



### Esquire Credit Club Elects George Ambrose President

The Esquire Credit Club, Inc., one of the oldest credit groups in the textile industry, has elected as president George E. Ambrose, vice president, Textile Banking Company; and as vice president George E. Gaba, credit manager, J. P. Stevens & Company. Charles R. Catlin, J. P. Maguire & Company, and Gerald D. Stone, S. D. Leidesdorf & Company, were re-elected treasurer and secretary, respectively.

### Ed Phelan Served Detroit Credit Association 33 Years

The death of L. Edward Phelan in Detroit terminated 33 years continuous service with the Detroit Association of Credit Men and more than four decades of activity in his chosen profession. He was for 16 years secretary-manager of the Detroit Association of Credit Men and was known in credit and financial circles there as "Mr. Credit."



L. E. PHELAN

In 1912, while he was credit manager of the Phelan-Faust Paint Manufacturing Co., Mr. Phelan was elected a member of the board of the St. Louis Association of Credit Men. He went to Detroit in 1919 as treasurer of Smith-Morgan Company, straightway joined the Detroit association, and was named a director in 1920 and again in 1921. Later that year he became a staff member of the Detroit Association. In 1922 he activated its adjustment bureau and in 1927 organized its Industry Group department, which included 16 Groups by 1937, the year he was appointed secretary-manager.

In 1953, under a transitional arrangement effected by the board of directors, preliminary to official retirement, Mr. Phelan was named director of development of the Detroit association; he also served in a consultative capacity.

He was a native of Detroit and received his education at the University of Detroit.

### H. R. Bunger, Past President Of Central Iowa Unit, Dies

H. R. Bunger, credit manager of the Fort Worth (Tex.) plant of Swift & Company, died of a heart attack at the age of 53. Mr. Bunger began with Swift & Company 30 years ago in the Chicago plant and was credit manager of the Iowa Packing Company, Swift's Des Moines plant, before being transferred to Fort Worth.

He served as president of the Central Iowa unit, N.A.C.M., Des Moines, and was a board member of the association. Interment was in Chicago.

*A good name keeps its luster in the dark.*

—John Roy



# MANAGEMENT IN THE NEWS

## ***Daughter Weds Credit Man So It's Still in the Family***

When the day of retirement comes for R. E. Bates—and from the vigor with which he approaches any new credit problem one might doubt that the future has *any* such day in store—the credit manager of The Ingalls Iron Works Company in Birmingham will have the gratification of knowing that his family is carrying on in the credit tradition, even if synthetically. Mr. Bates' daughter is the wife of John H. Newman, Jr., who is in the credit department of the Birmingham National Bank.

Mr. Bates has a record of 27 years in accounting and general office work, the last 11 as credit manager of The Ingalls Iron Works Company, Inc., Birmingham. He attended Draughn's Business School at Montgomery and completed several correspondence courses in accounting.

His first business connection, starting in 1924 and continuing nine years, was with the Producers Wood Preserving Company in Montgomery, where he became assistant superintendent. After periods with E. I. duPont de Nemours & Co., Bechtel Corporation and Liggett-Myers Tobacco Company, he joined Ingalls.

Last year, while Mr. Bates was membership chairman and vice president, the Alabama Association of Credit Men set its highest-ever mark in membership enrollment. No wonder he was made president this year.

## ***Former Credit Officer Heads Chase Bank Broadway Branch***

From the credit department to second vice president and now to a vice president, this newest advancement of S. Allen Pippitt in the management services of the Chase National Bank of the City of New York places him in charge of the bank's 25 Broadway Branch.

A native of Philadelphia and a

graduate of the Wharton School of Finance and Commerce of the University of Pennsylvania, Mr. Pippitt has been a member of the Chase staff for more than 25 years. He specialized for many years in the work of the bank's credit department, of which he was made an assistant manager in 1935 and an assistant cashier in 1940. He was promoted to second vice president in 1944.

In 1948 he was assigned as the officer in charge on the opening of Chase's new Madison Avenue Branch. Since last November he has been senior officer at the 25 Broadway Branch.

## ***Remington Rand's Treasurer Started at Buffalo in 1927***

GEORGE W. BANKS has been appointed treasurer of Remington Rand Inc., New York, N.Y., to succeed Frederick W. Parker, retired. Mr. Banks joined the organization in Buffalo in 1927 and has been assistant secretary and assistant treasurer the last ten years. He will make his headquarters at the general offices in New York City.

## ***Diebold Appointees Versed in Advertising, Sales and Finance***

ELMER W. NELSON has been appointed a vice president and FRANK D. ROBINSON treasurer, of Diebold, Incorporated, Canton, Ohio.

Mr. Nelson began his business career with Diebold in St. Paul in 1911 and has filled the positions of advertising manager, New England manager, general manager of dealer sales, New York branch manager, Eastern division manager, and sales manager, eastern bank division. He is known as an expert on bank vaults and bank security equipment. He has been assigned to Canton, Boston, and New York City, and as consultant on foreign contracts has traveled

extensively. He is a past president of the Rotary Club of New York City and a trustee of the Union Savings Bank of Westchester County in Mamaroneck, N.Y. He was born in St. Paul, Minn., and educated at Rasmussen Business College and St. Paul College of Law.

Mr. Robinson joined the company as assistant treasurer in 1951, with responsibilities as overall general management staff assistant and as general assistant to the president.

He is a member of the Akron (Ohio) chapter of the National Association of Cost Accountants.

## ***Two Named Vice Presidents At Mellon Bank and Trust***

Mellon National Bank and Trust Company, Pittsburgh, has named ALVIN G. KELLER and WILLIAM D. CLIFFORD vice presidents in the banking department. Both officers previously were assistant vice presidents.

Mr. Keller joined the Mellon National Bank in 1927, following graduation from the University of Pittsburgh with a degree in business administration. He was assigned to the auditing and credit divisions and was assistant cashier in the banking department before becoming assistant vice president. He is a director of the Pittsburgh Envelope Company and the Irwin Foundry & Mine Car Company. He also is a director of The Credit Association of Western Pennsylvania and a past director of the National Association of Credit Men.

Mr. Clifford was a national bank examiner before joining The Union Trust Company of Pittsburgh as an auditor in 1942. He was assigned to the credit division in 1944, and following the merger of The Union Trust Company and Mellon Bank was made assistant cashier advancing to assistant vice president in 1950.



R. E. BATES

S. A. PIPPITT

A. G. KELLER

W. D. CLIFFORD

E. W. NELSON

F. D. ROBINSON

G. W. BANKS

# CREDIT AND FINANCIAL REPORTER

## □ *Brief Items on Credit Activities and Meetings* □

ALBANY, N.Y.—Philip J. Gray, manager of the Foreign Credit Interchange Bureau, National Association of Credit Men, was guest speaker at a gathering of the Eastern New York Association of Credit Executives.

SEATTLE, WASH.—The problem of raising risk capital to meet the electric power requirements of the Pacific Northwest area was the subject of Paul J. Raver, city light superintendent, Seattle, at a dinner meeting of the Seattle Association of Credit Men.

ST. LOUIS, MO.—The Credit Women's Club of the St. Louis Association of Credit Men heard Edwin H. Bosse, Mercantile Trust Co., discuss "Wills and Estates."

CHATTANOOGA, TENN.—Irwin Stumborg, assistant treasurer and credit manager, Baldwin Piano Co., Cincinnati, and vice president of the central division, N.A.C.M., spoke before the National Association of Credit Management, Inc., Cherokee Unit.

CINCINNATI, OHIO—A series of luncheon meetings of the Cincinnati Association of Credit Men heard A. J. Martin, industrial relations director, Owens-Illinois Glass Co., Toledo, on "Labor-Management Relationship"; Walter J. Dehner, account executive, Merrill Lynch, Pierce, Fenner & Beane, who explained the "Pay-as-You-Go" plan for investors; and witnessed a showing of the color-sound film, "The Story of the Northwest Country American Forest," sponsored by the Weyerhaeuser Lumber Co.

BOSTON, MASS.—"A Credit Manager Reports" was the subject of James N. Jones, treasurer, Decatur Hopkins Co., a past president of the Boston Credit Men's Association, before the Boston Chapter of the National Institute of Credit.

MINNEAPOLIS, MINN.—Don Bailey, of Wagner & Bailey, attorneys, discussed "Factors' Liens" before the Minneapolis Association of Credit Men's forum.

PITTSBURGH, PA.—Weekly Credo luncheon meetings of The Credit Association of Western Pennsylvania programmed speakers Byron A. Boynton, credit manager, Pittsburgh Consolidation Coal Co., whose subject was "Guiding Factors in Establishing Limited Lines of Credit"; Ray Ehrman, who discussed the income tax situa-

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*When a fellow is wrapped up in himself he makes a pretty small package.*

---

—Anonymous

tion; and Joseph W. Hubbard, president, Keystone Adjustment Corp., who spoke on "Factors in Adjusting Fire Losses." Miss Rosa Basler, treasurer and controller, F. D. Lawrence Electric Co., Cincinnati, a past president of the Cincinnati Women's Group, and past chairman of the National Credit Women's executive committee, addressed the association on "The Deeper Concept of Credit."

SAN FRANCISCO, CALIF.—D. M. Messer, vice president and treasurer, Dohrmann Hotel Supply Co., and N.A.C.M. president, addressed the annual meeting of the Credit Managers Association of Northern and Central California. His topic was "Credit, Its Evolution and Romance Through the Ages."

NEW ORLEANS, LA.—James C. Kraus, president, New Orleans Insurance Exchange, spoke on "Insurance As It Applies to Credit," before the New Orleans Credit Men's Association. At the following meeting, C. C. Walther, president and general manager, Walther Bros. Co., Inc., and president of International House, described "New Orleans' International Program."



**CREDIT IN THREE-DIMENSION:** a topic in depth. Following an address on that subject before the Cleveland Credit Women's Club, guest speaker Irwin Stumborg, assistant treasurer and credit manager, Baldwin Piano Co., Cincinnati, and N.A.C.M. central division vice president, is "flashed" with Mrs. Lucy G. Killmer, secretary-treasurer, The Guarantee Specialty Mfg. Co., Cleveland, and a national director. (Cleveland News)

DETROIT, MICH.—Jointly sponsored by the Detroit Association of Credit Men and the Credit Women's Club was a program which had as speaker Louis J. Alber, student of the world communist conspiracy. Rodney Craighead, credit manager, Detroit Bank, addressed the Credit Women's Club on "Why a Banker Acts Like a Banker about Credit Matters."

LOS ANGELES, CALIF.—The Credit Women's Club of the Credit Managers Association of Southern California heard Dr. Ray E. Untereiner, attorney and economic consultant, speak on "Backgrounds of Today's Confusions."

MILWAUKEE, WIS.—"A Remarkable Way to Save Money" was the subject of Philip K. Dressler, assistant vice president, Marshall & Ilsley Bank. The importance of estate planning and avoiding inheritance taxes and the significance of the wills and trust departments of a bank were major phases treated.

ROCHESTER, N.Y.—"New Developments in Stocks, Dividends and Taxes" was the subject of Allan E. Kappelman, manager, research department, George D. B. Bonbright Co., at a meeting of the Rochester Association of Credit Men. Mr. Kappelman had been assistant treasurer of the University of Rochester and later president of the Howe Plan Fund.

CLEVELAND, OHIO—"Human Relations in Business" was the theme of Dr. Norman R. F. Maier at an educational meeting of the Cleveland Association of Credit Men. Dr. Maier, author, professor of psychology at the University of Michigan, is also consultant to business organizations.

PHILADELPHIA, PA.—Public relations counselor, James E. Gheen, was guest speaker at the 58th annual meeting and banquet of the Credit Men's Association of Eastern Pennsylvania. His topic was "Much to Do about Something."

OMAHA, NEB.—Bror W. Unge, manager foreign department, City National Bank & Trust Co., Kansas City, Mo., member of the council of the Foreign Credit Interchange Bureau and unofficial field counselor for the ECA, was principal speaker at the "Top Management" luncheon of The Omaha Association of Credit Men.